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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	:	
In re	:	
	:	Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors. ¹	:	(Jointly Administered)
-----X	:	

**DECLARATION OF JARED R. FRIEDMANN IN SUPPORT OF THE DEBTORS'
OPPOSITION TO THE MOTION OF COMMUNITY UNIT SCHOOL DISTRICT 300
TO DEEM THE ECONOMIC DEVELOPMENT AGREEMENT REJECTED OR,
IN THE ALTERNATIVE, TO COMPEL DEBTORS TO REJECT THE AGREEMENT**

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is c/o M-III Partners, LP, 130 W 42nd St. 17th Floor, New York, NY 10036.

Pursuant to 28 U.S.C. § 1746, I, Jared R. Friedmann, hereby declare as follows:

1. I am a partner of the law firm of Weil, Gotshal & Manges, LLP, representing the Debtors in the above captioned proceeding. I submit this Reply Declaration in Support of the Debtors' *Opposition to the Motion of Community Unit School District 300 to Deem the Economic Development Agreement Rejected or, in the Alternative, to Compel Debtors to Reject the Agreement.*

2. Unless otherwise indicated, all statements in this Declaration are based on my personal knowledge. If called to testify, I could and would testify to each of the facts set forth herein based on such personal knowledge.

3. Attached as **Exhibit 1** is a true and correct copy of the *Fourth Amended Verified Complaint for Declaratory, Injunctive and Other Relief*, filed in *Community Unit School District 300, et al. v. Village of Hoffman Estates, et al.*, No. 2018-CH-12683 (Ill. Cir. Ct.) (the "**Illinois Action**") on July 8, 2020 (the "**Complaint**"). A copy of the 1990 Economic Development Agreement by and between the Village of Hoffman Estates and Sears, Roebuck and Co. was attached as Exhibit 2 to the Complaint, which appears beginning at page 43 of the PDF file.

4. Attached as **Exhibit 2** is a true and correct copy of the Settlement Agreement between Community Unit School District 300 (the "**School District**") and Transform Holdco LLC, Transform SR Holding Management LLC, TF Hoffman Estates IL LLC, Transform SR LLC, and their subsidiaries successors and assigns that was provided to me by counsel for the School District on October 28, 2020.

5. Attached as **Exhibit 3** is a true and correct copy of the transcript of the August 15, 2019 hearing before the Hon. Celia G. Gamrath in the Illinois Action.

I declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the foregoing is true and correct.

Dated: November 11, 2020
New York, New York

By: /s/ Jared R. Friedmann
Jared R. Friedmann

EXHIBIT 1

FILED
7/8/2020 5:03 PM
DOROTHY BROWN
CIRCUIT CLERK
COOK COUNTY, IL
2018CH12683

**IN THE CIRCUIT COURT OF COOK COUNTY
COUNTY DEPARTMENT, CHANCERY DIVISION**

COMMUNITY UNIT SCHOOL DISTRICT 300,)
an Illinois school district, BARRINGTON)
LIBRARY DISTRICT, an Illinois public library,)
ELGIN COMMUNITY COLLEGE, an Illinois)
community college district, BARRINGTON)
TOWNSHIP, an Illinois township,)
METROPOLITAN WATER RECLAMATION)
DISTRICT OF GREATER CHICAGO, an Illinois)
special purpose district, and SCHOOL)
DISTRICT U-46, an Illinois public school district,)

Plaintiffs,)

v.)

VILLAGE OF HOFFMAN ESTATES,)
an Illinois municipal corporation; and SEARS)
HOLDINGS CORPORATION,)
a Delaware corporation, SEARS, ROEBUCK)
& CO., a New York Corporation. KMART)
HOLDING CORPORATION, a Delaware)
corporation, SEARS HOLDINGS)
MANAGEMENT CORPORATION, a Delaware)
corporation, TRANSFORM HOLDCO LLC,)
a Delaware Limited Liability company,)
TRANSFORM SR HOLDING)
MANAGEMENT, LLC, a Delaware Limited)
liability Company, and TF HOFFMAN ESTATES)
IL, LLC, a Delaware limited liability company,)
HOFFMAN ESTATES PARK DISTRICT, an)
Illinois park district, NORTHWEST MOSQUITO)
ABATEMENT DISTRICT, an Illinois mosquito)
abatement district, COOK COUNTY FOREST)
PRESERVE, an Illinois forest preserve, COOK)
COUNTY, an Illinois county, and POPLAR)
CREEK LIBRARY DISTRICT, an Illinois public)
library district.)

Defendants.)

9706743

2018 CH 12683

**FOURTH AMENDED VERIFIED COMPLAINT FOR DECLARATORY,
INJUNCTIVE AND OTHER RELIEF**

FILED DATE: 7/8/2020 5:03 PM 2018CH12683

NOW COME the Plaintiffs, Community Unit School District 300 (“District”), Barrington Library District, Elgin Community College, Barrington Township, School District U-46, and Metropolitan Water Reclamation District of Greater Chicago (collectively the “Taxing District Plaintiffs”), by and through their attorneys, the Law Office of Kory Atkinson and Robbins, Schwartz, Nicholas, Lifton & Taylor, Ltd., Matuszewich & Kelly, LLP, Klein, Thorpe, & Jenkins, Ltd., Susan T. Morakalis, Jorge T. Mihalopoulos, Angad S. Nagra, and Respicio F. Vazquez, and for the Taxing District Plaintiffs’ Fourth Amended Verified Complaint for Declaratory, Injunctive and Other Relief, hereby allege as follows:

PARTIES

1. The Village of Hoffman Estates (“Village”) is an Illinois municipal corporation located primarily in Cook County, Illinois. The Village’s principal address is 1900 Hassell Road, Hoffman Estates, Illinois. The Village has a mayor and a six-member board of trustees that is elected at large.

2. Defendant Sears Holdings Corporation is incorporated in Delaware. Its headquarters was located in the Village at 3333 Beverly Road, Hoffman Estates, Illinois until Sears’ bankruptcy.

3. Defendant Sears Roebuck & Co., a New York corporation, is the predecessor of Sears Holdings Corporation. Sears Holdings Corporation owns 100% of Sears Roebuck & Co. *See* Ownership Statement, attached hereto as Exhibit 1.

4. Defendant Kmart Holding Corporation is a Delaware corporation and is 100% owned by Sears Holdings Corporation. *See* Exhibit 1.

5. Defendant Sears Holdings Management Corporation is a Delaware corporation, and is owned 80% by Kmart Holding Corporation and 20% by Sears Roebuck & Co. *See Exhibit 1.* Unless otherwise noted, Sears Holdings Corporation, its predecessor Sears, Roebuck & Co., Kmart Holding Corporation, and Sears Holdings Management Corporation are collectively referred to as “Sears.”

6. Defendant Transform Holdco, LLC (“Transform”), is registered in Delaware. Its headquarters is located in the Village. Transform entered into an asset purchase agreement with Sears on or about January 18, 2019, which included acquiring the real estate at issue in this case.

7. Defendant, Transform SR Holding Management, LLC (“Transform SR”), is a corporation registered in Delaware.

8. Defendant, TF Hoffman Estates IL, LLC (“TF Hoffman Estates”) is a corporation registered in Delaware (collectively, with Transform Holdco, LLC and Transform SR Holding Management, LLC, herein after referred to as the “Transform Entities”).

9. Community Unit School District 300 (“District”) is an Illinois school district with its administrative offices located at 2550 Harnish Drive, Algonquin, Illinois. The District has an enrollment of over 21,000 students at nineteen elementary schools, seven middle schools and five high schools. The headquarters of Sears is located entirely within the boundaries of District 300. The District is a taxing body which levies and receives tax monies within the Economic Development Area.

10. Barrington Public Library is a public library located at 505 N. Northwest Highway, Barrington, Illinois. Barrington Public Library is a taxing body which levies and receives tax monies within the Economic Development Area.

11. Hoffman Estates Park District is an Illinois park district with its administrative offices located at 1685 W. Higgins Road, Hoffman Estates, Illinois. Hoffman Estates Park District is a taxing body levies and receives tax monies within the Economic Development Area.

12. Elgin Community College District 509 is an Illinois community college district with its administrative offices located at 1700 Spartan Drive, Elgin, Illinois. Elgin Community College District 509 is a taxing body which levies and receives tax monies within the Economic Development Area.

13. Northwest Mosquito Abatement District is an Illinois mosquito abatement district with its administrative offices located at 147 W. Hintz Road, Wheeling, Illinois. Northwest Mosquito Abatement District is a taxing body which levies and receives tax monies within the Economic Development Area.

14. The Metropolitan Water Reclamation District of Chicago is a unit of Illinois local government and a body corporate and politic with its administrative offices located at 100 E. Erie Street, Chicago, Illinois 60611. The Metropolitan Water Reclamation District of Chicago is a taxing body which levies and receives tax monies within the Economic Development Area.

15. Barrington Township is an Illinois township with its administrative offices located at 602 S. Hough Street, Barrington, Illinois. Barrington Township is a taxing body which levies and receives tax monies within the Economic Development Area.

16. The Cook County Forest Preserve District is an Illinois forest preserve district with its administrative offices located at 536 N. Harlem Avenue, River Forest, Illinois. The Cook County Forest Preserve District is a taxing body which levies and receives tax monies within the Economic Development Area.

17. Cook County is an Illinois county with its administrative offices located at 118 N. Clark Street, Chicago, Illinois. Cook County is a taxing body which levies and receives tax monies within the Economic Development Area.

18. School District U-46 is an Illinois school district with its administrative offices located at 355 E. Chicago Street, Elgin, Illinois. School District U-46 is a taxing body which levies and receives tax monies within the Economic Development Area.

19. Poplar Creek Library District is an Illinois public library district with its administrative offices located at 1405 S. Park Avenue, Streamwood, Illinois. Poplar Creek Library District is a taxing body which levies and receives tax monies within the Economic Development Area (collectively, with Barrington Public Library, Hoffman Estates Park District, Elgin Community College District 509, Northwest Mosquito Abatement District, the Metropolitan Water Reclamation District of Chicago, Barrington Township, Cook County Forest Preserve District, Cook County, and School District U-46, herein after referred to as the “Taxing Bodies”).

BACKGROUND

20. In 1989, as part of generous efforts to keep Sears from moving out of the State of Illinois as Sears was threatening to do, a law was passed known as the Economic Development Area and Tax Increment Allocation Act, 20 ILCS 620/1 et seq. (the “Sears EDA Act”), which was designed to specifically incentivize Sears to relocate its headquarters from downtown Chicago to undeveloped farmland in the Village (“the EDA Act District”).

21. In 1990, the Village created the EDA Act District and entered into an Economic Development Agreement pursuant to the Sears EDA Act (the “1990 Agreement”) with Sears. Among other things, the 1990 Agreement provided considerable financial assistance and subsidies

for Sears to develop its corporate campus in the Village. The 1990 Agreement enabled Sears to recapture a large portion of the property taxes paid on its corporate campus to cover the cost incurred for development of its corporate campus. A copy of the 1990 Agreement is attached hereto and incorporated herein as Exhibit 2.

22. The term of the 1990 Agreement was structured to last for a 23-year period, the maximum length of time such an agreement could be under the Sears EDA Act.

23. Under the 1990 Agreement, the definition of “Developer” was “Sears, Roebuck and Co., a New York corporation.”

24. The 1990 Agreement is authorized and solely based upon the Sears EDA Act.

25. Under the 1990 Agreement, millions of taxpayer dollars, much of which would have gone to the Taxing Bodies, were instead diverted to Sears.

26. In exchange, Sears agreed, among other things, to create or maintain a minimum number of jobs and cause a specific amount of private investment to occur in the designated project area.

27. The creation and retention of jobs is and always has been the critical purpose of the Sears EDA Act. So critical, in fact, that in passing the Sears EDA Act, the General Assembly found that:

- that the loss of job opportunities for the residents of [Illinois] is a serious menace to the health, safety, morals and general welfare of the people of the entire State;
- that a vigorous, growing economy is the basic source of job opportunities;
- that protection against the economic burdens associated with the loss of job opportunities, the consequent spread of economic stagnation and the resulting harm

to the tax base of the State can best be provided by promoting, attracting, stimulating, retaining and revitalizing industry, manufacturing, and commerce within the State;

- that the State has a responsibility to help create a favorable climate for new and improved job opportunities for its citizens...by...the retention of existing commercial businesses and industrial and manufacturing facilities within the State;
- that loss of job opportunities within the State has persisted despite efforts of State and local authorities and private organizations to attract new commercial businesses and industrial and manufacturing facilities to the State and to retain existing commercial businesses and industrial and manufacturing facilities within the State;
- that persistent loss of job opportunities in the State may continue and worsen if the State and its political subdivisions are not able to provide additional incentives to commercial businesses and industrial and manufacturing facilities to locate or to remain in the State; and
- that the provision of such additional incentives by the State and its political subdivisions will relieve conditions of unemployment, maintain existing levels of employment, create new job opportunities, retain jobs within the State, increase industry and commerce within the State, thereby creating job opportunities for the residents of the State and reducing the evils attendant upon unemployment, and increase the tax base of the State and its political subdivisions. See 20 ILCS 620/2.

28. For two decades following the 1990 Agreement, the District and the other Taxing Bodies saw millions of tax dollars diverted to Sears, while Sears and the Village assured the

District that when the 1990 Agreement under the Sears EDA Act expired in 2012, the District would experience substantial benefits with Sears' property in the Village fully back on the tax rolls. Those assurances never materialized.

29. In 2011, when the Sears EDA Act was about to expire, Sears again started scaring lawmakers with the possibility of largescale job losses in the area by threatening to move its headquarters out of Illinois.

30. At this same time, Sears sought a new package of subsidies in exchange for remaining in the Village.

31. In 2012, faced with the threats by Sears to move out of state and the loss of thousands of jobs and economic activity that would entail, Illinois legislators passed an amendment to the Sears EDA Act that effectively extended the 1990 Agreement, but included certain conditions and provisions about the amount of subsidies for Sears and the manner in which subsidies would be distributed (the "EDA Amendment").

32. Also included in the 2012 Amendments to the Sears EDA Act was a specific requirement that Sears maintain not less than 4,250 full-time equivalent jobs at its headquarters in the Village, and provisions providing for recapture of subsidies received by Sears in the event Sears fails to comply with the jobs requirement.

33. In the event that Sears fails to comply with the requirement that it maintain 4,250 jobs, the 2012 Amendments provide a formula for recapture of the subsidies based on the amount of time that Sears failed to comply with the jobs requirement.

34. On December 12, 2011, the Illinois House of Representatives debated the Sears EDA Act.

35. The sponsors of the Sears EDA Act, which included Representative Bradley, did not intend to allow Sears to count anyone beyond its own employees in the full-time equivalent job requirement.

36. Representatives Tryon and Bradley discussed this in the following exchange:

Tryon: "Okay. What happens if Sears leaves Illinois and keeps not zero jobs but let's say 100 jobs are skeletal staff..."

Bradley: "...I think that would've..."

Tryon: "...just to maintain the building."

Bradley: "...I think that would effectively end the EDA."

Tryon: "So, your intention here is that if that were to happen, if Sears were to leave and there was only a minimal workforce left here, that the EDA would...would cease..."

Bradley: "Yeah."

Tryon: "...to exist and Hoffman would then have one more year."

Bradley: "Sears...Sears would be forfeiting all their benefits and EDA would wind up."

37. Representatives Sullivan and Bradley also had the following exchange during the debate:

Sullivan: "Also, on page 45 of the Bill, it refers to developer or any of its success[or] entities. By success[or] entities are we referring to success[or] or Sears operating companies and not to an entity simply occupying the Sears premises in Hoffman Estates?"

Bradley: "Yes."

38. In addition to receiving subsidies under the Sears EDA Act, part of the package Illinois put together in the 2011-2012 timeframe to keep Sears in state included incentives under an Act titled the Economic Development for a Growing Economy Tax Credit Act (the "EDGE Act"), 35 ILCS 10/5-1.

39. The EDGE Act is administered by the State of Illinois Department of Commerce and Economic Opportunity ("Department of Commerce").

40. Pursuant to the EDGE Act, Sears and the Department of Commerce entered into an agreement on October 26, 2012 called the EDGE Tax Credit Agreement (the “EDGE Agreement”).

41. The EDGE Agreement required Sears to, among other things, create and/or maintain at least 4,250 jobs at its locations in the Village and in downtown Chicago, and the EDGE Agreement required Sears to submit documentation showing compliance with the jobs requirement.

42. The Illinois House of Representatives also debated the EDGE Act on November 29, 2011, and discussed its connection to the Sears EDA Act:

Franks: If you look at how this is written, right now, the amount of employees in Hoffman Estates is approximately 6100, correct? About 6100 employees at Hoffman Estates?”

Bradley: “I think that’s right.”

Franks: “Okay. But under this legislation, what we’re saying is ... We will pay you \$150 million as long as you don’t fire more than 1850 employees. So basically, we’re going to be paying them \$150 million to fire 1,850 employees because in order to retain this incentive they must only keep 4,250 people.”

Bradley: “Well, the...and I...and you weren’t a party to the negotiations, and I wasn’t a direct party to the negotiations but my understanding was that there’s about 1800 employees out there that are not technically classified as employees. They work for other people. And so if we were to put the 6100 employee requirement on them, ***there’s only about 4200 (sic) employees out there that they actually have control over.*** And so that would create a situation where this would not be a tenable...a tenable program.” (Emphasis added).

43. On or about October 15, 2018, Sears filed for voluntary Chapter 11 Bankruptcy. This case was captioned *In re Sears Holdings Corporation, et al.* Case No. 18-23528 (Jointly Administrated) and was filed in the Southern District of New York (the “Bankruptcy Case”).

44. On or about January 17, 2019, as part of an Asset Purchase Agreement, the Transform Entities acquired, from Sears, among other things, all or substantially all of the real

estate owned by Sears in the Project Area, as defined by the 1990 Agreement and EDA Amendment.

45. In the bankruptcy case:

- a. Sears has filed various “Notices of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases,” including the Sixth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transactions (the “Sixth Supplement”) on April 11, 2019. *See Exhibit 3.*
- b. In the Sixth Supplement, Sears stated that it was filed “in accordance with the Assumption and Assignment Procedures and the Global Bidding Procedures Order,” and that pursuant to the notice, Sears “**may**, in connection with the Global Asset Sale Transaction, seek to assume and assign to the Buyer (or its designated assignee, if applicable) certain Contracts and Leases of [Sears], including the what we think they were referring to as the EDA Agreement.”
- c. On May 2, 2019, Sears filed its “Notice of Assumption and Assignment of Additional Executory Contracts” pursuant to which Sears notes that Transform Holdco, LLC “has designated for assumption and assignment certain Additional Contracts,” which contracts the Plaintiff believe include the EDA Agreement. *See Exhibit 4.*
- d. Plaintiffs have filed timely objections to the Notices referenced above, which have yet to be scheduled for a hearing.

46. When Sears and the Transform Entities entered into the Asset Purchase Agreement, Sears ceased being the developer as defined in the 1990 Agreement and EDA Amendment.

47. As of the date of the Asset Purchase Agreement, the Developer (Sears, Roebuck & Co.) ceased employing a single employee in Hoffman Estates or anywhere else, and Transform instead hired many of the former Sears employees. The Asset Purchase Agreement and Order Approving the Sale in the Bankruptcy Case states that the Buyer, in this case, the Transform Entities, “(i) is not, and shall not be considered or deemed a mere continuation of, or successor to, the Debtors in any respect; (ii) has not, de facto or otherwise, merged with or into the Debtors; and (iii) is not a continuation or substantial continuation, and is not holding itself out as a mere continuation, of any of the Debtors or their respective estates, businesses or operations, or any enterprise of the Debtors and there is no continuity of enterprise between the Debtors and the Buyer.”

48. When Sears ceased being the developer, there was no longer any developer, as defined by the 1990 Agreement, EDA Amendment, and the Sears EDA Act.

49. The Transform Entities are the owners of real property within the Economic Development Area.

50. The Transform Entities pay property taxes on the property that they own within the Economic Development Area.

51. The Transform Entities are interested parties to this action because they own the property in question.

SEARS FAILURE TO COMPLY WITH JOBS REQUIREMENTS

52. In March of 2017, Sears submitted requests to the Department of Commerce for Sears' 2016 tax subsidies. However, because Sears announced plans to lay off over 100 corporate employees, the Department of Commerce began questioning whether Sears was in compliance with the jobs requirement under the EDGE Agreement.

53. The Department of Commerce asked Sears to demonstrate that it complied with the jobs requirement in the EDGE Agreement. Sears responded telling the Department of Commerce that Sears had satisfied the jobs requirement.

54. Nevertheless, shortly after Sears' assurances that it satisfied the jobs requirement in the EDGE Agreement, media reports surfaced in which Sears acknowledged that, in fact, it did not satisfy the jobs requirement of the EDGE Agreement. For a June 12, 2017 *Crain's Chicago Business* article entitled "With layoffs, Sears loses state tax credits," Sears spokesman Howard Riefs wrote that "For the first time since our agreement was enacted in 2011, we recently dropped below the required retained job figure for the Edge credit..." A copy of the article is attached hereto as Exhibit 5.

55. In June 2017 the Department of Commerce told Sears that the EDGE Agreement was suspended, and Sears thereafter threatened legal action.

56. With litigation a real possibility, Sears and the Department of Commerce entered into an agreement titled "Settlement Agreement Regarding EDGE Tax Credit Agreement" (the "Settlement Agreement"), a copy of which is attached hereto as Exhibit 6.

57. In the Settlement Agreement, Sears admits failing to comply with the jobs requirement at least as of May 31, 2017, and admits that it continued to fail to comply with the jobs requirement at least through December 15, 2017, the date of the Settlement Agreement.

58. Around the same time that Sears was admitting to the Department of Commerce that it failed to comply with the jobs requirement in the EDGE Agreement, Sears was telling a totally different story to the Village.

59. In a November 27, 2017 letter to the Village Manager from Jonathan Bredemeier, Sears' Senior Director of Real Estate and Corporate Services, Sears told the Village that "as of the date of this letter, over 4,250 jobs exist at the Sears Holdings' campus in Hoffman Estates." Mr. Bredemeier continued stating that "at no time in 2017 did the number of jobs dip below the requisite 4250 jobs." A copy of the November 27, 2017 correspondence is attached hereto as Exhibit 7.

60. Notably, the November 27, 2017 letter came from Sears Holdings Management Corporation, and not from Sears Holdings Corporation.

61. The Village had an obligation under the EDA Act and under the EDA Amendment to certify that Sears complied with the EDA Act and EDA Amendment prior to making payments to Sears under the EDA Act and EDA Amendment. The Village failed to comply with these obligations and wrongfully made payments to Sears. Sears was not entitled under the EDA Act and EDA Amendment to receive the payments made.

62. All proceeds generated by the EDA are deposited in the special tax allocation fund of the Village. 220 ILCS 620/4(e)(2). The special tax allocation fund is under the sole control and authority of the Village.

63. The Village has a statutory and contractual obligation to administer the special tax allocation fund in strict conformity with the EDA Act and the EDA Agreement.

64. The Village can only make distributions from the special tax allocation fund as expressly provided for in the EDA Act. One essential condition on the distribution of funds from the special tax allocation fund is that the Developer maintains 4,250 jobs.

65. Copied on the November 27, 2017 correspondence was the Corporation Counsel and Assistant Corporation Counsel for Sears.

66. The November 27, 2017 correspondence provided no documentation or other evidence to corroborate the unverified claims that “over 4250 jobs exist at the Sears Holdings’ campus” and that “at no time in 2017 did the number of jobs dip below the requisite 4250 jobs.”

67. Based on information and belief, at no time prior to November 2017 did the Village request any verification from Sears as to its jobs count. Furthermore, other than the November 2017 letter to the Village and one subsequent letter in January 2018, Sears provided no information to the Village demonstrating that it satisfied the jobs requirement in the Sears EDA Act.

68. Despite the claims of Mr. Bredemeier, media reports from 2017 and early 2018 indicate that Sears was cutting and/or losing hundreds of jobs at its corporate headquarters in the Village.

69. Media reports on January 31, 2018 indicated that Sears laid off 220 employees at its corporate headquarters in the Village. See CNBC article attached hereto as Exhibit 8.

70. Thus, Sears currently fails to maintain 4,250 jobs as required by the Sears EDA Act and has failed to maintain the requisite number of jobs since at least, and upon information and belief, before, January 31, 2017.

71. Given the millions of dollars that the District and the other Taxing Bodies have had to forgo in order to subsidize Sears and keep Sears from taking thousands of corporate jobs out of

state, the District was justifiably alarmed by reports that Sears was cutting hundreds of jobs and failing to comply with Sears' obligations with the State of Illinois under the EDGE Agreement.

72. On July 30, 2018, the District wrote to Jonathan Bredemeier at Sears. The District stated that it was concerned about the proper administration of the Sears EDA Act given that millions of property tax dollars are diverted from schools and other local governments based on the promise that Sears will maintain 4,250 jobs at its headquarters. A copy of the July 30, 2018 correspondence from the District is attached hereto as Exhibit 9.

73. The District's correspondence requested, quite reasonably, that Sears provide corroborating evidence to support its assertion that it maintained 4,250 jobs during calendar year 2017.

74. Additionally, the District asked for a commitment from Sears to provide corroborating evidence in support of any assertion as to the number of jobs maintained during 2018 prior to any distribution of funds under the Sears EDA Act for 2018.

75. In closing, the District emphasized that it welcomed open communication with Sears about the administration of the Sears EDA Act.

76. Before this lawsuit was filed, the District never received a response from Mr. Bredemeier or from anyone else at Sears. Sears never engaged with the District on the important issues raised and certainly never took up the District's request for open communication. Instead, on August 24, 2018, the District received a response from one of Sears' outside property tax attorneys, David Martin.

77. Concerning the District's request for corroborating evidence from Sears and to engage in open and constructive communication with Sears, Mr. Martin's terse letter states that

“Sears has no obligation to provide School District 300 with any information regarding ‘jobs’ within the EDA. Sears has not provided this information to School District 300 in the past and sees no reason to begin doing so now.” A copy of the August 24, 2018 correspondence is attached hereto as Exhibit 10.

78. Sears and the District entered into a settlement stipulation agreement documented by a Stipulation Order in the Bankruptcy Case (the “Stipulation”) pertaining to property taxes levied for tax year 2017 that were extended and collected in calendar year 2018, as well as for other years, a copy of which is attached hereto as Exhibit 11. The District is only seeking relief from Sears as provided in the Stipulation.

79. In the Bankruptcy Case, the Transform Entities gave notice of their intent to assume the EDA Amendment and the extension of such agreement and therefore are necessary parties to this lawsuit.

COUNT I – DECLARATORY JUDGMENT
Plaintiffs v. All Defendants

80. The Plaintiffs restate all paragraphs *supra* for Count I as though fully set forth in this paragraph.

81. For almost three decades, Sears’ headquarters in the Village has been located in an economic development project area and has been the subject of an economic development plan pursuant to the Sears EDA Act.

82. The Sears EDA Act, as amended in 2012 by Public Act 97-636, requires Sears to maintain not less than 4,250 full-time equivalent jobs at its corporate headquarters in the Village.

83. Pursuant to the Sears EDA Act, Sears receives subsidies in the form of millions of dollars in property tax rebates. Property taxes that Sears receives are diverted from the District

and other taxing districts that levy taxes on the Sears property. The loss of the property tax revenue has and continues to negatively impact the District's ability to educate the students in the District including but not limited to hiring sufficient staff, adequately funding student programs and properly maintaining District facilities.

84. Beginning at least January 31, 2017 and continuing to date, Sears has failed to maintain the requisite 4,250 jobs at its corporate campus in the Village.

85. The jobs requirement in the Sears EDA Act was absolutely critical to passage of the Sears EDA Act.

86. The jobs requirement was so critical that, when the Sears EDA Act was amended in 2012, and in an effort to keep Sears from leaving Illinois, the Illinois General Assembly added a new section 4.5, 20 ILCS 620/4.5 titled "Recapture" and subsection b of section 4.5 specifically provides what happens in the event Sears maintains some but not all of the required jobs.

87. Section 4.5(b) of the Sears EDA Act specifically provides as follows:

(b) In the event the developer fails to maintain 4,250 jobs at any time before the termination of the economic development project area....the developer shall forfeit an amount of its allocations from the special tax allocation fund for that time period in which the developer failed to maintain 4,250 jobs. The amount forfeited shall equal the percentage of the year that the developer failed to maintain 4,250 jobs multiplied by the amount the developer would have received if they maintained 4,250 jobs for the entire year. Any funds that are forfeited shall be distributed to the taxing districts in the same manner and proportion as the most recent distribution by the county collector to those taxing districts (inclusive of the municipality) in the economic development project area.

88. Thus, the District has a legal tangible interest in this matter because a forfeiture of Sears per Section 4.5(b) results in a distribution of the forfeited amount to the taxing districts, including the District.

89. Upon information and belief, Sears failed to maintain or retain the requisite number of jobs per the Sears EDA Act in calendar year 2013.

90. Upon information and belief, Sears failed to maintain or retain the requisite number of jobs per the Sears EDA Act in calendar year 2014.

91. Upon information and belief, Sears failed to maintain or retain the requisite number of jobs per the Sears EDA Act in calendar year 2015.

92. Upon information and belief, Sears failed to maintain or retain the requisite number of jobs per the Sears EDA Act in calendar year 2016.

93. Sears failed to maintain or retain the requisite number of jobs per the Sears EDA Act in calendar year 2017.

94. Per Section 4.5(b) of the Sears EDA Act, whatever percentage of the calendar year Sears had less than the required number of jobs is the percentage of the amount of receipts that Sears must forfeit. That forfeited amount is distributed to the taxing districts in the same manner and proportion as the most recent distribution of the Cook County Treasurer, except for the taxes levied in 2017 and collected in 2018, which is the subject of a settlement stipulation order.

95. In calendar years 2018 and 2019, Sears failed to maintain the requisite number of jobs required by the Sears EDA Act for the entire year. In other words, for 100% of calendar years 2018 and 2019, Sears has failed to maintain the requisite number of jobs per the Sears EDA Act.

96. Accordingly, this Honorable Court should declare that the Village acted contrary to the EDA Act by incorrectly paying to Sears the amount of property tax revenue levied by the Taxing Bodies in 2012, 2013, 2014, 2015, 2016 and 2018 and extended in the respective subsequent year, that Sears would have received if Sears had maintained 4,250 jobs for the entire

calendar year of 2013, 2014, 2015, 2016, 2017 and 2019. Sears failed to maintain or retain the requisite number of jobs per the Sears EDA Act in 2018, but the taxes levied in 2017 and extended in 2018 are the subject of the Settlement Stipulation Order.

97. The Village receives and is responsible for maintaining tax monies in a special fund under the Sears EDA Act called the “special tax allocation fund” every year that the Sears EDA Act is active. Subsidies to Sears under the Sears EDA Act are paid from the special tax allocation fund in the amounts pursuant to 20 ILCS 620/4(g).

98. Among the relief sought by the Taxing Body Plaintiffs is injunctive relief preventing any further distributions by the Village from the Village’s special tax allocation fund until the rights of the parties are declared by this court.

99. Any orders entered concerning forfeiture of amounts by Sears or the Transform Entities and changed distributions will necessarily affect the Village’s administration of the special tax allocation fund and the Village is therefore named as a defendant.

100. Any orders entered concerning forfeiture of amounts by Sears or the Transform Entities will necessarily affect the other Taxing Bodies.

WHEREFORE, the Taxing Body Plaintiffs pray that this Court enter an order:

- A. Declaring that Sears has failed to maintain the number of jobs required of it under the Sears EDA Act for calendar years 2013 through 2019;
- B. Declaring that under the 1990 Agreement, EDA Amendment, and the Sears EDA Act, Sears is the only eligible Developer;
- C. Declare the specific amounts forfeited by Sears and the specific amounts payable to the District and to the Taxing Bodies;
- D. Declaring that because Sears has sold and relinquished its interest in the Sears Headquarters Property and property tax rebates under the EDA Act, the Sears EDA Act District should be dissolved and an Order entered directing the Village to

terminate the EDA Act District and distribute all the funds in the special tax allocation fund;

- E. Not entering any changes nor any additional orders which are contradictory to the Stipulation nor the Agreed Order entered on October 31, 2019;
- F. Retaining jurisdiction over this matter for the purpose of enforcing the provisions of its judgment or decree; and
- G. Granting any other relief that this Court deems appropriate.

COUNT II – STATUTORY VIOLATION OF THE EDA ACT
The Plaintiffs v. the Village of Hoffman Estates

101. The Plaintiffs restate all paragraphs *supra* for Count II as though fully set forth in this paragraph.

102. The EDA Act states, in relevant part,

“a municipality shall submit in an electronic format all of the following information for each economic development project area...to all taxing district overlapping the economic development project area no later than 180 days after the close of each municipal fiscal year or as soon thereafter as the audited financial statements become available:...

(3) Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of this Act during the preceding fiscal year;...

(4) An opinion of legal counsel that the municipality is in compliance with this Act.

(7) a statement setting forth all activities undertaken in furtherance of the objectives of the economic development plan, including;

(A) any project implemented in the preceding fiscal year;

(B) a description of the economic development activities undertaken;

(C) a description of any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the economic development project area;

(D) additional information on the use of all funds received under this Act and steps taken by the municipality to achieve the objectives of the economic development plan;

(E) information regarding contracts that the municipality's tax increment advisors or consultants have entered into with entities or

persons that have received, or are receiving, payments financed by tax increment revenues produced by the same economic development project area; and

(F) a review of public and, to the extent possible, private investment actually undertaken on or after the effective date of this amendatory Act of the 97th General Assembly and prior to the date of the report and estimated to be undertaken during the following fiscal year; this review shall, on a project by project basis, set forth the estimated amounts of public and private investment incurred after the effective date of this amendatory Act of the 97th General Assembly and provide the ratio of private investment to public investment to the date of the report and as estimated to the completion of the economic development project.” 20 ILCS 620/4.7.

103. Section 4.5 of the EDA Act states, in relevant part,

“(b) In the event the developer fails to maintain 4,250 jobs at any time before the termination of the economic development project area, except as provided in subsection (c), the developer shall forfeit an amount of its allocations from the special tax allocation fund for that time period in which the developer failed to maintain 4,250 jobs. The amount forfeited shall equal the percentage of the year that the developer failed to maintain 4,250 jobs multiplied by the amount the developer would have received if they maintained 4,250 jobs for the entire year. Any funds that are forfeited shall be distributed to the taxing districts in the same manner and proportion as the most recent distribution by the county collector to those taxing districts (inclusive of the municipality) in the economic development project area.”

104. By maintaining less than 4,250 full-time jobs in Hoffman Estates, the developer, Sears, failed to comply with the terms of the EDA Act.

105. If Sears fails to maintain 4,250 jobs, 20 ILCS 620/4.5 provides for a recapture of the special tax allocations. Sears has not provided statutory recapture allocation to the District.

106. The Village’s annual municipal reports, required by 20 ILCS 620/4.7, are not in compliance with the Village’s obligation to verify and certify Sears’ maintenance of a job count exceeding 4,250. As a result, these reports are statutorily deficient in that they do not adequately certify compliance with the EDA Act, as required by 20 ILCS 620/4.7.

107. The Village had sole control and authority over the special tax allocation fund and had a statutory obligation to distribute those funds in strict conformity with the EDA Act. Contrary to its clear statutory obligations, the Village illegally distributed funds from the special tax allocation fund to Sears.

108. The Village's distribution of funds to Sears was not permitted under and is a violation of the Sears EDA Act because the Village failed to satisfy the EDA Act statutory duties before distributing EDA Act Funds to Sears, knew or should have known that Sears failed to maintain the jobs necessary to qualify for EDA distributions, and wrongfully distributed EDA Act Funds to Sears.

109. Alternatively, the Village's distribution of funds to Sears was not permitted under and is a violation of the Sears EDA Act because the Village willfully and knowingly failed to obtain information from Sears that would have enabled the Village to make an independent determination as to the number of jobs maintained by Sears as required under the Sears EDA Act.

110. Plaintiffs and the other Taxing Bodies, except the Village, have been injured by the Village's violation because the funds that were improperly distributed to Sears should have been properly distributed to Plaintiff and the other Taxing Bodies.

111. The Illinois General Assembly enacted Section 4.5 of the Sears EDA Act, to prevent this type of injury to Plaintiff

WHEREFORE, the Taxing Body Plaintiffs pray that this Court enter an order:

- A. Declaring that Sears has failed to maintain the number of jobs required of it under the Sears EDA Act;
- B. Declaring that the Village of Hoffman Estates violated the Sears EDA Act;

- C. Declaring that whatever percentage of each calendar year, 2013 through 2019, excluding property taxes levied in 2017 and extended and collected in 2018, that Sears was not compliant with the jobs requirement of the Sears EDA Act, should be declared forfeited and paid by the Village of Hoffman Estates to the Plaintiffs and the other remaining Taxing Bodies in the same manner and proportion as the distribution of the Cook County Treasurer for each applicable year;
- D. Declaring the specific amounts forfeited and the specific amounts payable to the Plaintiffs and to the remaining Taxing Bodies by the Village;
- E. Entering an injunction as to the Village of Hoffman Estates preventing any further distributions by the Village from the Village's special tax allocation fund until the status of the EDA District is declared by this court;
- F. Declaring the Sears EDA District dissolved and enter an Order directing the Village to terminate the EDA and distribute all the funds in the special tax allocation fund;
- G. Not entering any changes nor any additional orders which are contradictory to the Stipulation nor the Agreed Order entered on October 31, 2019;
- H. Retaining jurisdiction over this matter for the purpose of enforcing the provisions of its judgment or decree; and
- I. Granting any other relief that this Court deems appropriate.

COUNT III – UNJUST ENRICHMENT
The Plaintiffs v. Village of Hoffman Estates

112. The Plaintiffs restate all paragraphs *supra* for Count III as though fully set forth in this paragraph.

113. Pursuant to 20 ILCS 620/4(g), the Village has received a benefit of \$5,000,000 annually every year that the Sears EDA Act District was active.

114. This benefit of \$5,000,000 was to the Taxing Bodies' detriment because that money comes out of the total property taxes levied by the Taxing Bodies and paid by Sears each year.

115. By not meeting the jobs requirement of the Sears EDA Act, the Defendants have unjustly retained EDA Act and EDA Amendment revenues to the detriment of the District.

116. The Village had an obligation to verify and certify whether Sears was in compliance with the jobs requirement of the Sears EDA Act. However, for the Village it is more lucrative under the Sears EDA Act for Sears to be in compliance with the jobs requirement than not in compliance, so the Village failed to meaningfully perform its verification and certification functions mandated by the Sears EDA Act.

117. The Village's failure to perform its verification and certification functions mandated by the Sears EDA Act directly resulted in the Village getting more money under the Sears EDA Act District's existence at the expense and to the detriment of the District and other Taxing Bodies.

118. The Defendants' retention of the tax benefits to the detriment of the District violates the fundamental principles of justice, equity, and good conscience.

WHEREFORE, the Taxing Body Plaintiffs pray that this Court enter an order:

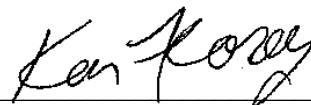
- A. Declaring that Sears has failed to maintain the number of jobs required of it under the Sears EDA Act;
- B. Declaring that the Village of Hoffman Estates has been unjustly enriched;
- C. Declaring that whatever percentage of each calendar year, 2013 through 2019, excluding property taxes levied in 2017 and extended and collected in 2018, that Sears was not compliant with the jobs requirement of the Sears EDA Act, should be deemed forfeited and distributed to the Plaintiffs and the remaining Taxing Bodies in the same manner and proportion as the distribution of the Cook County Treasurer for each applicable year and that the Village of Hoffman Estates shall pay to the taxing districts those amounts incorrectly paid to Sears by the Village;
- D. Declaring the specific amounts forfeited and the specific amounts payable to the Plaintiffs and to the remaining Taxing Bodies by the Village;
- E. Entering an injunction as to the Village of Hoffman Estates preventing any further distributions by the Village from the Village's special tax allocation fund until the rights of the parties are declared by this court;

- F. Declaring the Sears EDA Act District dissolved and enter an Order directing the Village to terminate the EDA and distribute all the funds in the special tax allocation fund;
- G. Not entering any changes nor any additional orders which are contradictory to the Stipulation nor the Agreed Order entered on October 31, 2019;
- H. Retaining jurisdiction over this matter for the purpose of enforcing the provisions of its judgment or decree; and
- I. Granting any other relief that this Court deems appropriate.

Respectfully submitted,

COMMUNITY UNIT SCHOOL DISTRICT
300, BARRINGTON PUBLIC LIBRARY
DISTRICT, BARRINGTON TOWNSHIP,
METROPOLITAN WATER
RECLAMATION DISTRICT OF
GREATER CHICAGO, AND SCHOOL
DISTRICT U-46

By:



One of their Attorneys

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Cook County No. 91219

ELGIN COMMUNITY COLLEGE

By: _____
One of Its Attorneys

Respicio F. Vazquez
Legal General Counsel for the College
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Elgin, IL 60123
rvazquez@elgin.edu

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

VERIFICATION

Susan Harkin, being first duly sworn on oath, hereby deposes and states that she is the Chief Operating Officer for Community Unit School District 300, that she has read the foregoing Verified Complaint for Declaratory, Injunctive and Other Relief, and that the facts contained therein are true and accurate to the best of her knowledge and belief.

Susan L. Harkin
Susan Harkin
Chief Operating Officer

SUBSCRIBED AND SWORN TO BEFORE
ME THIS ____!!__DAY OF JULY, 2020

Christine C. Lathrop
Notary Public



WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310-8007
Ray C. Schrock, P.C.
Jacqueline Marcus
Garrett A. Fail
Sunny Singh

*Proposed Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	: Chapter 11
	:
SEARS, ROEBUCK AND CO.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 36-1750680	:

-----X	
In re	: Chapter 11
	:
SEARS HOLDINGS CORPORATION,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 20-1920798	:

-----X	
In re	: Chapter 11
	:
KMART HOLDING CORPORATION,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 32-0073116	:

-----X

-----X	:	
In re	:	Chapter 11
	:	
KMART OPERATIONS LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 32-0456546	:	
-----X	:	
In re	:	Chapter 11
	:	
SEARS OPERATIONS LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 35-2524331	:	
-----X	:	
In re	:	Chapter 11
	:	
SERVICELIVE, INC.,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4616774	:	
-----X	:	
In re	:	Chapter 11
	:	
A&E FACTORY SERVICE, LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4486695	:	
-----X	:	
In re	:	Chapter 11
	:	
A&E HOME DELIVERY, LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 37-1500205	:	
-----X	:	

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In re	:	Chapter 11
	:	
A&E LAWN & GARDEN, LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 13-4275028	:	
-----X	:	
In re	:	Chapter 11
	:	
A&E SIGNATURE SERVICE, LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 37-1500204	:	
-----X	:	
In re	:	Chapter 11
	:	
FBA HOLDINGS INC.,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-4186537	:	
-----X	:	
In re	:	Chapter 11
	:	
INNOVEL SOLUTIONS, INC.,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 36-1857180	:	
-----X	:	
In re	:	Chapter 11
	:	
KMART CORPORATION,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 38-0729500	:	
-----X	:	

-----X	
In re	: Chapter 11
	:
MAXSERV, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 74-2707626	:
-----X	
In re	: Chapter 11
	:
PRIVATE BRANDS, LTD.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 55-0544022	:
-----X	
In re	: Chapter 11
	:
SEARS DEVELOPMENT CO.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 36-2476028	:
-----X	
In re	: Chapter 11
	:
SEARS HOLDINGS	: Case No. 18-_____ (RDD)
MANAGEMENT CORPORATION,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 20-3592148	:
-----X	
In re	: Chapter 11
	:
SEARS HOME & BUSINESS	: Case No. 18-_____ (RDD)
FRANCHISES, INC.,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 98-0126742	:
-----X	

-----X	
In re	: Chapter 11
	:
SEARS HOME IMPROVEMENT	: Case No. 18-_____ (RDD)
PRODUCTS, INC.,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 25-1698591	:
-----X	
In re	: Chapter 11
	:
SEARS INSURANCE	: Case No. 18-_____ (RDD)
SERVICES, L.L.C.,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 36-4287182	:
-----X	
In re	: Chapter 11
	:
SEARS PROCUREMENT	: Case No. 18-_____ (RDD)
SERVICES, INC.,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 30-0092859	:
-----X	
In re	: Chapter 11
	:
SEARS PROTECTION COMPANY,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 36-4471250	:
-----X	
In re	: Chapter 11
	:
SEARS PROTECTION	: Case No. 18-_____ (RDD)
COMPANY (PR) INC.,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 66-0704861	:
-----X	

-----X	
In re	: Chapter 11
	:
SEARS ROEBUCK ACCEPTANCE CORP.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 51-0080535	:
-----X	
In re	: Chapter 11
	:
SEARS, ROEBUCK DE	: Case No. 18-_____ (RDD)
PUERTO RICO, INC.	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 66-0233626	:
-----X	
In re	: Chapter 11
	:
SYW RELAY LLC,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 35-2561870	:
-----X	
In re	: Chapter 11
	:
WALLY LABS LLC,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
No Fed. Tax Id.	:
-----X	
In re	: Chapter 11
	:
BIG BEAVER OF FLORIDA	: Case No. 18-_____ (RDD)
DEVELOPMENT, LLC,	:
	:
Debtor.	:
	:
No Fed. Tax Id.	:
-----X	

-----X	
In re	: Chapter 11
	:
CALIFORNIA BUILDER APPLIANCES, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 68-0406327	:
-----X	
In re	: Chapter 11
	:
FLORIDA BUILDER APPLIANCES, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 36-3619133	:
-----X	
In re	: Chapter 11
	:
KBL HOLDING INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 26-0031295	:
-----X	
In re	: Chapter 11
	:
KLC, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 75-2490839	:
-----X	
In re	: Chapter 11
	:
KMART OF MICHIGAN, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 38-3551696	:
-----X	

-----X	
In re	: Chapter 11
	:
KMART OF WASHINGTON LLC,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 61-1448898	:
-----X	
In re	: Chapter 11
	:
KMART STORES OF ILLINOIS LLC,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 61-1448897	:
-----X	
In re	: Chapter 11
	:
KMART STORES OF TEXAS LLC,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 61-1448915	:
-----X	
In re	: Chapter 11
	:
MYGOFER LLC,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 26-4005531	:
-----X	
In re	: Chapter 11
	:
SEARS BRANDS BUSINESS	: Case No. 18-_____ (RDD)
UNIT CORPORATION,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 42-1564658	:
-----X	

-----X	:	
In re	:	Chapter 11
	:	
SEARS HOLDINGS PUBLISHING	:	Case No. 18-_____ (RDD)
COMPANY, LLC,	:	
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 26-0075554	:	
-----X	:	
In re	:	Chapter 11
	:	
SEARS PROTECTION COMPANY	:	Case No. 18-_____ (RDD)
(FLORIDA), L.L.C.,	:	
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 20-0224239	:	
-----X	:	
In re	:	Chapter 11
	:	
SHC DESERT SPRINGS, LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
No Fed. Tax Id.	:	
-----X	:	
In re	:	Chapter 11
	:	
SOE, INC.,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 83-0399616	:	
-----X	:	
In re	:	Chapter 11
	:	
STARWEST, LLC,	:	Case No. 18-_____ (RDD)
	:	
Debtor.	:	
	:	
Fed. Tax Id. No. 37-1495379	:	
-----X	:	

-----X	
In re	: Chapter 11
	:
STI MERCHANDISING, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 38-2760188	:
-----X	
In re	: Chapter 11
	:
TROY COOLIDGE NO. 13, LLC,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
No Fed. Tax Id.	:
-----X	
In re	: Chapter 11
	:
BLUELIGHT.COM, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 77-0527034	:
-----X	
In re	: Chapter 11
	:
SEARS BRANDS, L.L.C.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 42-1564664	:
-----X	
In re	: Chapter 11
	:
SEARS BUYING SERVICES, INC.,	: Case No. 18-_____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 36-3256533	:
-----X	

-----X	
In re	: Chapter 11
	:
KMART.COM LLC,	: Case No. 18-____ (RDD)
	:
Debtor.	:
	:
Fed. Tax Id. No. 77-0529022	:
-----X	
In re	: Chapter 11
	:
SEARS BRANDS	: Case No. 18-____ (RDD)
MANAGEMENT CORPORATION,	:
	:
Debtor.	:
	:
Fed. Tax Id. No. 36-2555365	:
-----X	

DEBTORS' CONSOLIDATED CORPORATE OWNERSHIP STATEMENT

Pursuant to Rules 1007(a)(1) and 7007.1 of the Federal Rules of Bankruptcy Procedure and Rule 1007-3 of the Local Bankruptcy Rules for the Southern District of New York, Sears Holdings Corporation (“**Sears Holdings**”) and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**” and, together with their non-debtor affiliates, the “**Company**”) respectfully represent:

1. Sears Holdings is a publicly traded corporation. The only corporations, as defined in section 101 of title 11 of the United States Code, that own greater than 10% of Sears Holdings’ equity interests are affiliates of Edward S. Lampert, including ESL Investments, Inc. (“**ESL**”), which on an aggregate basis own approximately 49% of Sears Holdings’ equity interests. ESL is not a Debtor in these chapter 11 cases.

2. Sears Holdings owns 100% of the membership or equity interests (whichever is applicable) in the following Debtors: Kmart Holding Corporation (“**Kmart**

Holding”), Kmart Operations LLC, Sears Operations LLC, ServiceLive, Inc., and Sears, Roebuck and Co. (“**Roebuck**”).

3. Kmart Holding owns 100% of the equity interests in Kmart Corporation (“**Kmart Corp.**”), and 20% of the equity interests in Sears Holdings Management Corporation (“**SHMC**”). Roebuck owns the remaining 80% of the equity interests in SHMC.

4. Kmart Corp. owns 100% of the membership or equity interests (whichever is applicable) in the following Debtors: Kmart of Michigan, Inc., Big Beaver of Florida Development, LLC, KLC, Inc., Kmart of Washington LLC, Kmart Stores of Illinois LLC, Kmart Stores of Texas LLC, SHC Desert Springs LLC, Troy Coolidge No. 13 LLC, STI Merchandising, Inc., and MyGofer LLC. Kmart Corp. also owns 100% of the equity interests in Debtor KBL Holding Inc., which owns 100% of the equity interests in BlueLight.com, Inc., also a Debtor in these chapter 11 cases. BlueLight.com, Inc. owns 100% of the membership interests in Debtor Kmart.com LLC.

5. SHMC owns 100% of the equity interests in Debtor Sears Brands Business Unit Corporation (“**SBBU**”). SBBU owns 100% of the equity interests in Debtor Sears Buying Services, Inc., which owns 100% of the equity interests in Sears Brands Management Corporation. SBBU also owns 100% of the membership interests in Sears Brands, L.L.C., which owns 100% of the membership interests in non-Debtor KCD IP, LLC.

6. Roebuck owns 100% of the membership or equity interests (whichever is applicable) in the following Debtors: A&E Factory Service, LLC, A&E Signature Service, LLC, A&E Lawn & Garden, LLC, Innovel Solutions, Inc., MaxServ, Inc., A&E Home Delivery, LLC, Sears Home Improvement Products, Inc., Sears Development Co., Private Brands, Ltd., Sears Roebuck Acceptance Corp., Sears, Roebuck de Puerto Rico, Inc., Sears Home & Business

Franchises, Inc., Sears Home & Business Franchises, Inc., Sears Insurance Services, L.L.C., Sears Protection Company, SYW Relay LLC, Wally Labs LLC, and Sears Protection Company. Sears Protection Company owns 100% of the membership interests in Sears Protection Company (Florida), L.L.C.

7. Roebuck also owns 100% of the equity interests in Debtor FBA Holdings Inc., which owns 100% of the membership or equity interests (whichever is applicable) in the following Debtors: California Builder Appliances, Inc., Florida Builder Appliances, Inc., SOE, Inc., and StarWest, LLC.

8. Sears Procurement Services, Inc. owns a 100% membership interest in Debtor Sears Holdings Publishing Company, LLC.

Fill in this information to identify the case:

Debtor name: Sears Holdings Corporation, et al.
United States Bankruptcy Court for the: Southern District of New York
(State)
Case number (If known): _____

Official Form 202

Declaration Under Penalty of Perjury for Non-Individual Debtors

12/15

An individual who is authorized to act on behalf of a non-individual debtor, such as a corporation or partnership, must sign and submit this form for the schedules of assets and liabilities, any other document that requires a declaration that is not included in the document, and any amendments of those documents. This form must state the individual's position or relationship to the debtor, the identity of the document, and the date. Bankruptcy Rules 1008 and 9011.

WARNING – Bankruptcy fraud is a serious crime. Making a false statement, concealing property, or obtaining money or property by fraud in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

Declaration and signature

I am the president, another officer, or an authorized agent of the corporation; a member or an authorized agent of the partnership; or another individual serving as a representative of the debtor in this case.
I have examined the information in the documents checked below and I have a reasonable belief that the information is true and correct:

- ☐ Schedule A/B: Assets–Real and Personal Property (Official Form 206A/B)
- ☐ Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D)
- ☐ Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)
- ☐ Schedule G: Executory Contracts and Unexpired Leases (Official Form 206G)
- ☐ Schedule H: Codebtors (Official Form 206H)
- ☐ Summary of Assets and Liabilities for Non-Individuals (Official Form 206Sum)
- ☐ Amended Schedule _____
- ☐ Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders (Official Form 204)
- ☒ Other document that requires a declaration Corporate Ownership Statement

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 15, 2018
MM / DD / YYYY

X

/s/ Robert A. Riecker
Signature of individual signing on behalf of debtor

Robert A. Riecker
Printed name

Chief Financial Officer
Position or relationship to debtor

ECONOMIC DEVELOPMENT AGREEMENT

BY AND BETWEEN

THE VILLAGE OF HOFFMAN ESTATES

AND

SEARS, ROEBUCK AND CO.

EXHIBIT

2

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ECONOMIC DEVELOPMENT AGREEMENT

THIS ECONOMIC DEVELOPMENT AGREEMENT is made by and entered into on the ____ day of _____, 1990, by and between the VILLAGE OF HOFFMAN ESTATES, an Illinois home rule municipal corporation located in Cook and Kane Counties, Illinois, and SEARS, ROEBUCK AND CO., a New York corporation.

DEFINITIONS

The following words and terms used in this Agreement shall have the following meanings unless the context or use indicates another or different meaning:

ACQUISITION CONTRACTS The sale/purchase contracts which have been executed by Developer, or Developer's nominee, that provide for the Developer's acquisition of the Subject Property. A summary of the Acquisition Contracts is attached hereto as Exhibit "A".

ACT The Economic Development Area Tax Increment Allocation Act, Ill.Rev.Stat. (1989) Ch.67 1/2,SS1001 et seq., as amended from time to time.

AGREEMENT This Economic Development Agreement and all exhibits attached hereto, as the same may be amended from time to time by the Parties in accordance with the terms hereof.

ALLOCATED TAX INCREMENT REVENUE AMOUNTS The amounts of Tax Increment Revenues which are to be paid to the Village and the other Taxing Districts, consisting of the "Phase I Allocated Tax Increment Revenue Amounts" set forth on Exhibit "B" attached hereto, and the "Phase II Allocated Tax Increment Revenue Amounts," as determined by using the percentages set forth on Exhibit "C" attached hereto.

AMENDMENT TO THE ANNEXATION AGREEMENTS Such amendment to the Beverly Annexation Agreement and the Nederlander Annexation Agreement as the Parties may execute in order to further the development of the Subject

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44 Property. The Amendment to the Annexation
45 Agreements may also constitute the annexation
46 agreement for the portion of the Subject
47 Property that is commonly described as the
48 "Studz Parcel".
49
50 **BEVERLY** That certain annexation agreement dated
51 **ANNEXATION** January 19, 1981 and approved by the Village
52 **AGREEMENT** by Village Ordinance No. 1248-1981, as
53 amended.
54
55 **BOARD OF TRUSTEES** The Board of Trustees of the Village holding
56 office from time to time.
57
58 **BONDS** The Revenue Bonds and the General Obligation
59 Bonds.
60
61 **CORPORATE** The President and Board of Trustees of the
62 **AUTHORITIES** Village holding office from time to time.
63
64 **DEPARTMENT** The State's Department of Commerce and
65 Community Affairs.
66
67 **DESIGNATED** The Village Manager of the Village holding
68 **OFFICER** office from time to time.
69
70 **DEVELOPER** Sears, Roebuck and Co., a New York
71 corporation.
72
73 **DEVELOPER** The advances made to or on behalf of the
74 **ADVANCES** Village by the Developer in order to pay
75 Project Costs, which advances shall be
76 reimbursed to the Developer by the Village, in
77 accordance with the provisions of this
78 Agreement and the Act.
79
80 **DEVELOPMENT** The Phase I Development and Phase II
81 Development.
82
83 **ECONOMIC** The economic development plan dated August 4,
84 **DEVELOPMENT** 1989, entitled "Hoffman Estates Economic
85 **PLAN** Development Project Area Plan and Project"
86 which constitutes the comprehensive program of
87 the Village for the Project Area, as approved
88 by the Corporate Authorities by Village
89 Ordinance No. 2106-1989, adopted on September
90 11, 1989, together with any amendments
91 thereto.
92
93 **ECONOMIC** The economic development project approved by
94 **DEVELOPMENT** the Corporate Authorities by Village Ordinance
95 **PROJECT** No. 2106-1989, adopted on September 11, 1989,

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96 in furtherance of the objectives of the
97 Economic Development Plan.
98
99 **FUND** The Special Tax Allocation Fund.
100
101 **GENERAL** Those general obligation bonds which the
102 **OBLIGATION** Village may issue pursuant to the terms of
103 **BONDS** this Agreement.
104
105 **NEDERLANDER** That certain annexation and development
106 **ANNEXATION** agreement dated August 22, 1978 and approved
107 **AGREEMENT** by the Village by Village Ordinance No. 1039-
108 1978, as amended.
109
110 **NOTE(S)** The economic development project tax increment
111 revenue note(s) authorized to be issued by the
112 Village pursuant to the terms of this
113 Agreement, including Notes to evidence
114 Developer Advances, Notes to evidence
115 obligations to reimburse private financing
116 costs and Notes evidencing obligations to any
117 credit enhancers.
118
119 **OBLIGATIONS** The Bonds, the Notes, special service area
120 bonds and any other instrument evidencing the
121 obligation of the Village to pay money in
122 furtherance of the Economic Development Plan
123 and the development of the Subject Property
124 (including, without limitation, bonds, notes,
125 installment or financing contracts,
126 certificates, tax anticipation warrants or
127 notes, vouchers, and any other evidence of
128 indebtedness).
129
130 **PCMT PROPERTY** The real estate upon which the Poplar Creek
131 Music Theater is situated. The PCMT Property
132 is legally described on Exhibit "C" to the
133 Nederlander Annexation Agreement.
134
135 **PARTIES** The Village and the Developer.
136
137 **PHASE I** That development occurring during the life of
138 **DEVELOPMENT** the Economic Development Project either within
139 or outside the boundaries of the Project Area
140 (including, without limitation, site
141 preparation, the construction of buildings,
142 structures, utility installations, roadways
143 and other improvements) which is undertaken
144 on, in connection with, or in furtherance of
145 the use, occupancy and development of the
146 Phase I Site.
147

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148 **PHASE II**
149 **DEVELOPMENT**
150
151 That development occurring during the life of
152 the Economic Development Project either within
153 or outside the boundaries of the Project Area
154 (including, without limitation, site
155 preparation, the construction of buildings,
156 structures, utility installations, roadways
157 and other improvements) which is undertaken
158 on, in connection with, or in furtherance of
159 the use, occupancy and development of the
160 Phase II Site.
161
162 **PHASE I SITE**
163 That portion of the Subject Property,
164 consisting of approximately two hundred (200)
165 acres, which is located in the northwest
166 corner of the Subject Property. The Phase I
167 Site is legally described on Exhibit "D"
168 attached hereto.
169
170 **PHASE II SITE**
171 The Subject Property, exclusive of the Phase I
172 Site. The Phase II Site consists of
173 approximately five hundred eighty-eight (588)
174 acres and includes the PCMT Property. The
175 Phase II Site is legally described on Exhibit
176 "E" attached hereto.
177
178 **PHASE I TAX**
179 **INCREMENT**
180 **REVENUES**
181 The ad valorem taxes levied upon taxable real
182 property within the Phase I Site by any and
183 all Taxing Districts having the power to tax
184 real property in the Phase I Site, which taxes
185 are attributable to the increase in the then
186 current equalized assessed valuation of each
187 taxable lot, block, tract, or parcel of real
188 property in the Phase I Site over and above
189 the initial equalized assessed value of each
190 such lot, block, tract or parcel of real
191 property.
192 **PHASE I TAX**
193 **INCREMENT**
194 **REVENUE**
195 **COMMENCEMENT**
196 **DATE**
197 The date on which the Phase I Tax Increment
198 Revenues received and deposited in the Fund
199 reflect a full year's assessment of the SMG
200 Home Office Complex.
201
202 **PHASE II TAX**
203 **INCREMENT**
204 **REVENUES**
205 The ad valorem taxes levied upon taxable real
206 property within the Phase II Site by any and
207 all Taxing Districts having the power to tax
208 real property in the Phase II Site, which
209 taxes are attributable to the increase in the
210 then current equalized assessed valuation of
211 each taxable lot, block, tract or parcel of
212 real property in the Phase II Site over and
213 above the initial equalized assessed value of

each such lot, block, tract or parcel of real property.

PROJECT AREA

The Hoffman Estates Economic Development Project Area, which is legally and commonly described on Exhibit "F" attached hereto, and pictorially depicted on Exhibit "G" attached hereto, as heretofore established by the Corporate Authorities by Village Ordinance No. 2107-1989, adopted September 11, 1989, and as certified by the Department on October 6, 1989.

PROJECT COSTS

The reasonable or necessary costs incurred by the Village incidental to the Economic Development Project. Project Costs shall include, without limitation, "economic development project costs", as defined in the Act as of the date of this Agreement, and the following:

- (a) Costs of studies, surveys, development of plans and specifications, implementation and administration of the Economic Development Plan, including, but not limited to, personnel and professional service costs for architectural, engineering, legal, marketing, financial, planning, police, fire, public works or other services, provided, however, that no charges for professional services may be based on a percentage of the incremental tax revenues;
- (b) Property assembly costs within the Project Area, including, but not limited to, acquisition of land and other real or personal property, or rights or interests therein, and specifically including payments to the Developer and other nongovernmental parties as reimbursement for, respectively, Property Assembly Costs and the property assembly costs incurred by such other nongovernmental parties;
- (c) Site preparation costs, including, but not limited to, clearance of any area within the

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252 Project Area by demolition or
253 removal of existing buildings,
254 structures, fixtures, utilities and
255 improvements, and clearing and
256 grading; and including installation,
257 repair, construction,
258 reconstruction, or relocation of
259 public streets, public utilities,
260 and other public site improvements
261 (and the acquisition of necessary
262 rights-of-way and easements
263 therefor) within or outside the
264 boundaries of the Project Area which
265 are essential to the preparation of
266 the Project Area for use in
267 accordance with the Economic
268 Development Plan; and specifically
269 including payments to the Developer
270 and other nongovernmental parties as
271 reimbursement for site preparation
272 costs incurred by the Developer or
273 such other nongovernmental parties;
274
275 (d) Costs of renovation, rehabilitation,
276 reconstruction, relocation, repair
277 or remodeling of any existing public
278 or private buildings, improvements
279 and fixtures within the Project
280 Area, and specifically including
281 payments to the Developer or other
282 nongovernmental parties as
283 reimbursement for such costs
284 incurred by the Developer or such
285 other nongovernmental parties;
286
287 (e) Costs of construction within the
288 Project Area of public works or
289 improvements, including but not
290 limited to, buildings, structures,
291 works, utilities or fixtures;
292
293 (f) Financing costs, including, but not
294 limited to, all necessary and
295 incidental expenses related to the
296 issuance of any Obligations, payment
297 of any interest on any Obligations
298 issued hereunder which accrues
299 during the estimated period of
300 construction of the part of the
301 Economic Development Project for
302 which such Obligations are issued
303 and for not exceeding thirty-six

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304 (36) months thereafter, and any
305 reasonable reserves related to the
306 issuance of such Obligations;
307
308 (g) All or a portion of a Taxing
309 District's capital costs resulting
310 from the Economic Development
311 Project necessarily incurred or
312 estimated to be incurred by a Taxing
313 District in the furtherance of the
314 objectives of the Economic
315 Development Plan and Economic
316 Development Project, to the extent
317 the Village, by written agreement,
318 accepts and approves such costs;
319
320 (h) Relocation costs to the extent that
321 the Village determines that
322 relocation costs shall be paid or is
323 required to make payment of
324 relocation costs by federal or State
325 law;
326
327 (i) The estimated tax revenues from real
328 property in the Project Area
329 acquired by the Village which,
330 according to the Economic
331 Development Plan, is to be used for
332 a private use and which any Taxing
333 District would have received had the
334 Village not adopted tax increment
335 allocation financing for the Project
336 Area and which would result from
337 such Taxing District's levies made
338 after the time of the adoption by
339 the Village of tax increment
340 allocation financing to the time the
341 current equalized assessed value of
342 real property in the Project Area
343 exceeds the Total Initial Equalized
344 Assessed Value of real property in
345 said area;
346
347 (j) Costs of job training, advanced
348 vocational or career education,
349 including, but not limited to,
350 courses in occupational, semi-
351 technical or technical fields
352 leading directly to employment,
353 incurred by one or more Taxing
354 Districts, provided that such costs
355 are related to the establishment and

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356 maintenance of additional job
357 training, advanced vocational
358 education or career education
359 programs for persons employed or to
360 be employed by employers located in
361 the Project Area and further
362 provided that when such costs are
363 incurred by a Taxing District or
364 Taxing Districts other than the
365 Village they shall be set forth in a
366 written agreement by or among the
367 Village and the Taxing District or
368 Taxing Districts, which agreement
369 describes the program to be
370 undertaken, including, but not
371 limited to, the number of employees
372 to be trained, a description of the
373 training and services to be
374 provided, the number and type of
375 positions available or to be
376 available, itemized costs of the
377 program and sources of funds to pay
378 the same, and the term of the
379 agreement. Such costs include,
380 specifically, the payment by
381 community college districts of costs
382 pursuant to SS3-37, 3-38, 3-40 and 3-
383 40.1 of the Public Community College
384 Act (Ill.Rev.Stat.Ch.103, S103
385 et.seq.) and by school districts of
386 costs pursuant to SS10-22.20a and
387 10-23.3a of The School Code
388 (Ill.Rev.Stat.Ch. 122);
389

390 (k) Private financing costs incurred by
391 the Developer or other
392 nongovernmental parties in
393 connection with the Economic
394 Development Project, and
395 specifically including payments to
396 the Developer or other
397 nongovernmental parties as
398 reimbursement for such costs
399 incurred by the Developer or such
400 other nongovernmental parties,
401 provided that:

402
403 (i) private financing costs shall
404 be paid or reimbursed by the
405 Village only pursuant to the
406 prior official action of the
407 Village evidencing an intent to

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408 pay or reimburse such private
409 financing costs;
410
411 (ii) except as provided in
412 subparagraph (iv), the
413 aggregate amount of such costs
414 paid or reimbursed by the
415 Village in any one year shall
416 not exceed 30% of such costs
417 paid or incurred by the
418 Developer or such other
419 nongovernmental parties in that
420 year;
421
422 (iii) private financing costs shall
423 be paid or reimbursed by the
424 Village solely from the Special
425 Tax Allocation Fund established
426 pursuant to the Act and shall
427 not be paid or reimbursed from
428 the proceeds of any Obligations
429 issued by the Village;
430
431 (iv) if there are not sufficient
432 funds available in the Special
433 Tax Allocation Fund in any year
434 to make such payment or
435 reimbursement in full, any
436 amount of such interest cost
437 remaining to be paid or
438 reimbursed by the Village shall
439 accrue and be payable when
440 funds are available in the
441 Special Tax Allocation Fund to
442 make such payment; and
443
444 (v) in connection with its approval
445 and certification of the
446 Economic Development Project
447 pursuant to Section 5 of the
448 Act, the Village shall forward
449 a copy of this Agreement to the
450 Department;
451
452 (l) Other eligible expenses, as
453 permitted by the Act; and
454
455 (m) Developer Advances made to satisfy
456 or pay any of the foregoing Project
457 Costs (other than those identified
458 in paragraph (k) above).
459

460 **PROPERTY**
461 **ASSEMBLY COSTS**

The purchase price that is to be paid for the Subject Property pursuant to the Acquisition Contracts, and all reasonable title and survey charges; reasonable brokerage fees; reasonable attorneys fees; reasonable escrow charges; and all reasonable costs of soil, engineering and other "due diligence" tests and studies incurred in connection with the acquisition of the Subject Property.

469
470 **PUBLIC**
471 **IMPROVEMENTS**

The Public Site Improvements and the Public Works and Improvements.

472
473 **PUBLIC**
474 **SITE**
475 **IMPROVEMENTS**

The public streets, public utilities and other public site improvements consisting of the Phase I Development Public Site Improvements, all of which are set forth on Exhibit "H" attached hereto and the Phase II Development Public Site Improvements, all of which are set forth on Exhibit "I" attached hereto, which are constructed, or to be constructed, by the Village or the Developer, and all reasonable or necessary activities which are undertaken in connection with such construction, within the Project Area (or outside the boundaries of the Project Area but essential to the preparation of the Project Area for use in accordance with the Economic Development Plan), which result in the Village's incurring "site preparation costs", as defined by Section 3(e)(3) of the Act. Exhibits "H" and "I" may be amended by the Parties, from time to time, pursuant to the provisions of this Agreement. Natural gas, electric and telephone service shall not be included within the definition of "public utilities", as used above and as used in Section 4.3 of this Agreement, except to the extent that they relate to natural gas, electric and telephone service improvements which are to be dedicated to, and owned by, the Village (e.g. public street lights).

502
503 **PUBLIC WORKS**
504 **AND**
505 **IMPROVEMENTS**

Those public improvements (including, but not limited to, buildings, structures, works, utilities or fixtures) identified on Exhibit "J" attached hereto which are constructed, or to be constructed, by the Village, and all activities which are undertaken in connection with such construction, which are authorized by this Agreement and the Economic Development Plan which result in the Village's incurring

512 "costs of construction", as defined by Section
513 3(e)(5) of the Act. Exhibit "J" may be
514 amended by the Parties, from time to time,
515 pursuant to the provisions of this Agreement.
516
517 **REVENUE** The economic development project tax increment
518 **BONDS** revenue bonds authorized to be issued by the
519 Village pursuant to the terms of Section
520 6.3(b) and Article 8 of this Agreement.
521
522 **SANITARY SEWER** The sanitary sewer interceptor and related
523 **IMPROVEMENTS** facilities which, pursuant to the terms of
524 this Agreement, are to be constructed by the
525 Village in order to provide sanitary sewer
526 service to the Project Area.
527
528 **SMG** Sears Merchandise Group, a group of Sears,
529 Roebuck and Co., a New York corporation.
530
531 **SMG** The mixed use complex of no less than
532 **HOME OFFICE** 1,600,000 square feet of low to mid-rise
533 **COMPLEX** development which is to be constructed on a
534 portion of the Phase I Site for purposes of
535 housing Developer's Merchandise Group home
536 office and related uses. The location of such
537 portion of the Phase I Site is generally
538 depicted on Exhibit "K" attached hereto.
539
540 **SMG OCCUPANCY DATE** The date the Developer substantially completes
541 the SMG Home Office Complex and applies to the
542 Village, in accordance with Village
543 ordinances, for issuance of a temporary or
544 permanent certificate of occupancy for the SMG
545 Home Office Complex.
546
547 **SMG OCCUPANCY** The written notice which the Developer is to
548 **DATE NOTICE** deliver to the Village confirming that the
549 Developer has received the last governmental
550 permit or approval necessary to the
551 Developer's commencement of construction of
552 the SMG Home Office Complex. The SMG
553 Occupancy Date Notice shall be substantially
554 in the form of Exhibit "L" attached hereto.
555
556 **SPECIAL TAX** The 1989 Hoffman Estates Economic Development
557 **ALLOCATION** Project Area Special Tax Allocation Fund,
558 **FUND** which is a special fund established pursuant
559 **(OR FUND)** to the provisions of the Act and created by
560 Village Ordinance No. 2108-1989, adopted by
561 the Corporate Authorities on September 11,
562 1989, which shall be the repository for: (i)
563 the Tax Increment Revenues; (ii) the other

564 monies which are to be deposited in the Fund
565 pursuant to the Act or this Agreement; and
566 (iii) the income earned on the investment of
567 the monies deposited in the Fund.
568
569 **SUBJECT**
570 **PROPERTY**
571 That certain parcel of real estate under the
572 ownership or control of the Developer
573 consisting of approximately 788 acres, bounded
574 generally on the north by Higgins Road, on the
575 east by Route 59, on the south by I-90 and on
576 the west by Beverly Road (excluding the
577 approximately 44 acres located east of Old
578 Sutton Road and north of the corporate limits
579 of the Village). The Subject Property is
580 legally described on Exhibit "M" attached
581 hereto.
582
583 **TAX INCREMENT**
584 **REVENUES**
585 The sum of the Phase I Tax Increment Revenues
586 and the Phase II Tax Increment Revenues.
587
588 **TAXING DISTRICTS**
589 Counties, townships, municipalities, and
590 school, road, park, library, sanitary,
591 mosquito abatement, forest preserve, public
592 health, fire protection, river conservancy,
593 tuberculosis sanitarium and any other
594 municipal corporations or districts with the
595 power to levy taxes on real property located
596 in the Project Area.
597
598 **TOTAL INITIAL**
599 **EQUALIZED**
600 **ASSESSED VALUE**
601 The total initial equalized assessed value of
602 the taxable real property within the Project
603 Area, as determined by the County Clerk of
604 Cook County in accordance with the provisions
605 of the Act.
606
607 **TOTAL MINIMUM**
608 **ASSESSED**
609 **VALUATION**
610 That amount of the assessed valuation of the
611 Subject Property for a given levy year which,
612 when taken together with the applicable tax
613 rate and state equalization factor for such
614 levy year, will be required to produce Tax
615 Increment Revenues sufficient: (i) to satisfy
the debt service requirements, including
additions to required reserves, on outstanding
Revenue Bonds for the next succeeding year, as
required by then outstanding Village
ordinances authorizing issuance of such
Revenue Bonds; and (ii) to pay the
appropriate Allocated Tax Increment Revenue
Amounts for the next succeeding year, as set
forth on Exhibits "B" and "C" attached hereto.

616 **VILLAGE** The Village of Hoffman Estates, an Illinois
617 home rule municipal corporation.
618
619 **VILLAGE MUNICIPAL** The municipal service facility which is to be
620 **FACILITY** constructed on the Village Municipal Site
621 which may include offices, a Village fire
622 station, a Village police station and an
623 interior public works area. A "Village Green"
624 may adjoin the Village Municipal Facility and
625 be located on the Village Municipal Site.
626
627 **VILLAGE** That certain fifteen (15) acre portion of the
628 **MUNICIPAL SITE** Subject Property which is to be agreed upon
629 and identified by the Parties on the
630 conceptual land use plan submitted pursuant to
631 Section 3.1(d)(1)(iv) of this Agreement.
632
633 **VILLAGE PROJECT** Those Project Costs incurred at any time by
634 **COSTS** the Village which shall include, and be
635 limited to, the following (to the extent
636 permitted under the Act):
637
638 (a) Costs of studies, surveys,
639 development of plans and
640 specifications, and administration,
641 personnel and professional service
642 costs related to the Village's
643 implementation and administration of
644 the Economic Development Plan and
645 Economic Development Project,
646 (including, but not limited to,
647 personnel and professional costs for
648 administrative, engineering, legal,
649 marketing, financial, planning,
650 public works or other services);
651
652 (b) Costs of providing police and fire
653 protection to the Development and
654 the Project Area;
655
656 (c) Costs of development, construction,
657 maintenance, repair and replacement
658 of the Public Works and Improvements
659 (including, without limitation, the
660 Village Municipal Facility and the
661 Village Water Tank);
662
663 (d) Costs of: (i) maintenance and repair
664 of the Public Site Improvements
665 after their conveyance to, and
666 acceptance by, the Village; and
667 Village-owned water lines and sewer

lines existing as of the date of this Agreement either within or outside the boundaries of the Project area; and (ii) replacement of Public Site Improvements after their conveyance to, and acceptance by, the Village in accordance with Village ordinance; and

- (e) All financing costs related to the costs identified in (a) through (d) above, including, but not limited to, all necessary and incidental expenses related to the issuance of those Village Obligations (including the General Obligation Bonds) which are issued to pay the costs identified in (a) through (d) above; payment of any interest on any such Village Obligations which accrue during the estimated period of construction of the part of the Economic Development Project for which such Village Obligations are issued and for not exceeding thirty-six (36) months thereafter; and any reasonable reserves related to the issuance of such Village Obligations.

VILLAGE WATER TANK

The water storage tank which is to be constructed by the Village within the Project Area or within the vicinity of the Project Area for purposes of furthering the use of the Project Area in accordance with the Economic Development Plan. The Village Water Tank is to provide storage for not less than seven hundred fifty thousand (750,000) gallons of water.

RECITALS

A. Pursuant to the Act and to the terms of the Economic Development Plan, the Village proposed the Economic Development Project for economic development of certain designated areas either within its municipal limits or pending annexation to the Village. The site proposed for the Economic Development Project is the Project Area. The Project Area includes the Subject Property. The Economic Development Plan sets forth a mixture of land use activities within the Project Area.

B. On September 11, 1989, the Village adopted Ordinance No. 2108-1989 adopting tax increment allocation financing for the Project Area. Such ordinance provides that the Tax Increment Revenues which are realized within the Project Area are to be paid to the Village for deposit in the Special Tax Allocation Fund in order to pay Project Costs and principal and interest obligations coming due on the Obligations.

C. The Corporate Authorities, after due and careful consideration, have concluded that the development of the Project Area, as provided in this Agreement and in the Economic Development Plan, will: (i) create or retain not less than 2,000 full-time equivalent jobs; (ii) cause private investment in an amount of not less than \$100,000,000 to occur in the Project Area; (iii) encourage the increase of commerce and industry within the State of Illinois, thereby reducing the evils attendant upon unemployment and increasing opportunities for personal income; (iv) increase or maintain the property, sales and income tax bases of the Village

739 and of the State of Illinois and enable the Village to control the
740 development of the Subject Property; and (v) otherwise be in the
741 best interests of the Village.

742 D. Subject to the terms and provisions of the Act and this
743 Agreement: (i) the Developer intends to acquire, or to cause its
744 nominee to acquire, the Subject Property, and the Village intends
745 to reimburse the Developer for the Property Assembly Costs the
746 Developer incurs, or to pay the Developer's Property Assembly
747 Costs, out of Tax Increment Revenues (other than the Allocated Tax
748 Increment Revenue Amounts), or other monies deposited in the Fund,
749 the proceeds of Revenue Bonds, and the proceeds of Developer
750 Advances; (ii) the Developer intends to develop the Phase I Site
751 with at least the SMG Home Office Complex; (iii) the Developer may
752 hereafter develop the Phase II Site with the uses specified in the
753 Economic Development Plan; and (iv) the Village intends to
754 reimburse the Developer for the Project Costs the Developer pays,
755 incurs or advances to, or on behalf of, the Village out of Tax
756 Increment Revenues (other than the Allocated Tax Increment Revenue
757 Amounts), other monies deposited in the Fund, or from the proceeds
758 of Revenue Bonds.

759 E. The Parties acknowledge that the purchase price
760 established by the Acquisition Contracts for the Subject Property
761 is reasonable.

762 F. The development of the Subject Property, and the
763 fulfillment generally of the terms and provisions of this
764 Agreement, are in the vital and best interest of the Village and

765 the health, safety, and welfare of its residents and taxpayers.

766 G. The Parties intend to enter into this Agreement under the
767 authority of the Act and pursuant to the Village's home-rule
768 authority.

769 NOW, THEREFORE, in consideration of the foregoing Recitals,
770 and the mutual agreements set forth below, it is hereby agreed by
771 and between the Parties as follows:

772 ARTICLE 1. INCORPORATION OF RECITALS

773 The representations set forth in the foregoing Recitals are
774 material to this Agreement and are hereby incorporated into and
775 made a part of this Agreement as though they were fully set forth
776 in this Article 1.

777 ARTICLE 2. GOALS, MUTUAL ASSISTANCE AND COOPERATION

778 2.1. Goals and Mutual Assistance

779 The Parties acknowledge that it is their mutual goal and
780 desire to further the objectives of the Economic Development Plan
781 and Economic Development Project, to further the improvement and
782 development of the Project Area, and to finance all costs of the
783 Development as Project Costs (to the fullest extent permitted by
784 law and in the most economically efficient manner) pursuant to the
785 provisions of this Agreement. Accordingly, the Parties shall do
786 all things necessary or appropriate to carry out the terms and
787 provisions of this Agreement and to aid and assist each other in
788 furthering the objectives of this Agreement and the intentions of
789 the Parties as reflected by said terms. Specifically, if it shall
790 become necessary, the Village: (i) shall assist the Developer in

791 acquiring portions of the Subject Property (whether or not such
792 portions are the subject of the Acquisition Contracts); and (ii) at
793 the request of the Developer, shall attempt to acquire properties,
794 rights-of-way and easements necessary to the development of the
795 Project Area by the use of its power of eminent domain (provided,
796 however, that the Village makes no representation or warranty
797 regarding its ability to acquire any such portions of the Subject
798 Property, or any of such properties, rights-of-way or easements by
799 use of its power of eminent domain, and provided further that the
800 Developer shall pay and satisfy all purchase prices, settlements,
801 judgments, orders or other costs and expenses incurred by the
802 Village in the exercise of such powers by making a Developer
803 Advance in the amount of such costs and expenses). In the event
804 the Village acquires all or any portion of the Subject Property
805 through the use of its power of eminent domain as set forth above,
806 it shall convey the same to the Developer immediately thereafter
807 for one dollar (\$1.00).

808 **2.2. Cooperation in Seeking Financial Aid and Assistance**

809 The Parties shall cooperate with each other in seeking
810 financial or other aid and assistance required for or useful to the
811 construction of roadway, highway and utility improvements
812 (including a two million three hundred thousand dollar
813 (\$2,300,000.00) "Build Illinois" infra-structure grant for the
814 construction of the Sanitary Sewer Improvements) within the Project
815 Area or outside the boundaries of the Project Area (but essential
816 to the preparation of the Project Area for use in accordance with

the Economic Development Plan) from all appropriate governmental bodies (whether Federal, State, County or local). In addition, in order to gain the Department's certification of the Village's designation of the Project Area as an "Enterprise Zone" for the maximum statutory term pursuant to the Illinois Enterprise Zone Act (Ill.Rev.Stat. Ch. 67 1/2,SS601 et seq.), the Village, in accordance with the provisions of said statute and within sixty (60) days of the date of this Agreement, shall: (i) pass an ordinance designating the Project Area as an "Enterprise Zone"; (ii) submit a complete written application to the Department seeking the Department's certification of the Village's designation of the Project Area as an "Enterprise Zone"; and (iii) take such other actions as may be necessary or appropriate under the provisions of said statute to gain certification by the Department of the Project Area as an "Enterprise Zone". The Village, pursuant to said statute or other applicable state statutes or local ordinances, shall also consent to local sales tax exemption for construction materials purchased in connection with the Development.

ARTICLE 3. DEVELOPMENT OF THE SUBJECT PROPERTY

3.1. Phase I Development

(a) General.

The Phase I Development shall be the first priority of the Parties. The first stage of that development shall encompass the construction of the SMG Home Office Complex. The SMG Home Office Complex shall be

constructed in a manner consistent with the goals and objectives of the Economic Development Plan and shall be of a quality that is consistent with other first-class office facilities located in the Greater Chicagoland Metropolitan Area.

(b) Permits.

Before commencement of construction of any portion of the SMG Home Office Complex, the Developer, at its expense, shall secure, or cause to be secured, all permits or approvals which may be required by the Village and other governmental agencies having jurisdiction over such construction, in whole or in part, including, without limitation, all permits required, if any, from the U.S. and Illinois Environmental Protection Agencies, the Metropolitan Water Reclamation District, the U.S. Army Corps of Engineers, the Illinois Department of Transportation and all other local, Federal and State agencies having or exercising any jurisdiction over such construction or over the portion of the Project Area that is affected by such construction. The Village shall provide all proper assistance to the Developer in securing such permits and shall promptly execute all permits and permit applications which require or benefit from such execution provided such permits and permit applications (and the plans relating thereto) are in proper form and comply with all lawful requirements. The

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Village shall promptly issue all permits required to be issued by the Village provided such permits (and the permit applications and plans relating thereto) are in proper form and comply with all lawful requirements.

(c) Preliminary Grading.

Notwithstanding the provisions of the foregoing paragraph (b), and provided the public hearings described in Section 3.1(d) have commenced, the Board of Trustees shall authorize issuance to the Developer of a site development permit for mass grading and storm water management installation and other similar excavation-related tasks on the Subject Property prior to receipt of all of the foregoing permits, prior to final Village approval of the Amendment to the Annexation Agreements and prior to approval of final engineering plans for the Phase I Development provided that:

- (1) The Developer satisfies the Village staff and Board of Trustees that the Developer is providing the necessary erosion and sedimentation control measures to satisfy the principles set forth in Sub-Section A of Section 10-8-6 of the Village's Municipal Code (Erosion and Sedimentation Control); and
- (2) The Board of Trustees receives a tree survey from the Developer showing all trees having a four inch (4") caliper or more and the Board approves a tree

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895 preservation plan satisfying the principles set
896 forth in Sub-section D in Section 10-8-11 of the
897 Hoffman Estates Municipal Code and issues or
898 directs the Village staff to issue any necessary
899 tree removal permits; and

900 (3) That such grading and other work shall be
901 undertaken at the Developer's sole cost and risk
902 and the Developer, pursuant to Article 20 of this
903 Agreement, shall indemnify the Village against,
904 and hold the Village harmless from, all costs,
905 expenses, reasonable attorney fees, losses,
906 liabilities and damages that may be suffered or
907 sustained by the Village as a result of Developer's
908 undertaking such grading and other work.

909 (4) That the President and Board of Trustees shall find
910 that provisions C - (1), (2) and (3) above are
911 satisfied and grant approval for such preliminary
912 grading.

913 (d) Submission of Development Documentation

914 (1) On or before March 1, 1990, the Developer shall
915 submit the following to the Village for the
916 Village's review and approval:

917 (i) A Community Impact Statement for the Subject
918 Property submitted pursuant to Village
919 Ordinance No. 914-1977;

920 (ii) An application for approval by the Corporate

921 Authorities of the Amendment to the Annexation
922 Agreements;
923 (iii) An application for the granting of the relief
924 provided for in the Amendment to the
925 Annexation Agreements;
926 (iv) A conceptual land use plan for the Subject
927 Property (which plan identifies, among other
928 things, estimates of square footage, proposed
929 land uses, internal roadway plans and the
930 proposed location of the Village Municipal
931 Site); and
932 (v) A preliminary site plan, preliminary plat of
933 subdivision, preliminary engineering plans,
934 preliminary landscaping plans and other
935 appropriate preliminary documentation for the
936 Phase I Development.

937 Within thirty (30) days of the Village's receipt of
938 the last of the foregoing submittals (provided such
939 submittals are complete and in a form acceptable to the
940 Village), the Village shall schedule, and give all
941 notices required to be given for, all public hearings
942 required to be conducted by the Corporate Authorities,
943 the Board of Trustees, the Plan Commission, the Zoning
944 Board of Appeals and all other commissions and committees
945 of the Village for purposes of considering the
946 Developer's applications, plats and plans. Such public

947 hearings shall be conducted by the Village in an
948 expeditious manner and, to the extent practicable, but in
949 the sole discretion of the Village, such public hearings
950 shall be conducted concurrently before the aforesaid
951 entities, commissions and committees. The Developer, at
952 any of such public hearings, shall have the right, at the
953 Developer's option, to present preliminary and final
954 plats and plans concurrently or to bypass the submittal
955 of preliminary plats and plans entirely in favor of
956 proceeding directly with the review and approval of final
957 plats and plans.

958 (2) Not later than sixty (60) days after the Village's
959 adoption of the ordinances and resolutions
960 authorizing the execution of the Amendment to the
961 Annexation Agreements and granting the relief
962 provided for in the Amendment to the Annexation
963 Agreements, the Developer shall submit the
964 following to the Village for the Village's review
965 and approval:

966 (i) A final plat of subdivision for the Phase I
967 Development;

968 (ii) Final grading, utility and roadway plans for
969 the construction of the SMG Home Office
970 Complex;

971 (iii) Final engineering plans for the Public Site
972 Improvements which are to be constructed as

973 part of the Phase I Development (as identified
974 on Exhibit "H" to this Agreement), which
975 improvements shall include all Public Site
976 Improvements necessary to the construction,
977 use and occupancy of the SMG Home Office
978 Complex; and

979 (iv) Such other documentation as the Village may
980 reasonably request as a condition precedent to
981 the issuance of a building permit for the SMG
982 Home Office Complex.

983 The Village's staff and representatives, during the
984 time the Developer is preparing all such final plats and
985 plans, shall meet with the Developer, and its
986 representatives, to coordinate the preparation of such
987 plats and plans and their submission to, and review by,
988 the Village. The Village and the Developer shall
989 communicate and consult informally with each other as
990 frequently as is necessary to insure that the review,
991 processing and approval of all such plats and plans
992 receives prompt consideration by the Village.

993 The Board of Trustees shall approve or disapprove
994 all such final plats and plans within thirty (30) days of
995 their submission to the Village provided: (i) such plats
996 and plans are complete, have been reviewed by the Plan
997 Commission upon an expedited schedule that shall be
998 provided for in the Amendment to the Annexation

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999 Agreements, and are in a form acceptable to the Village;
1000 (ii) the Amendment to the Annexation Agreements has then
1001 been approved by the Corporate Authorities and executed
1002 by the Parties; (iii) all annexation and zoning
1003 ordinances provided for in the Amendment to the
1004 Annexation Agreements have been adopted by the Village;
1005 and (iv) such plats and plans substantially conform to
1006 the preliminary plats and plans. If such plats or plans
1007 are disapproved, as soon as reasonably possible
1008 thereafter, the Developer shall submit revised plats and
1009 plans to the Village.

1010 (e) Construction of Phase I Development Public Site
1011 Improvements.

1012 (1) The Developer is hereby appointed as the Village's
1013 sole and exclusive agent for purposes of managing
1014 and overseeing the engineering, design and
1015 construction of those Public Site Improvements
1016 which are to be constructed as part of the Phase I
1017 Development (as identified on Exhibit "H" to this
1018 Agreement), provided, however, that: (i) before
1019 either the Village or the Developer enters into any
1020 contract for construction or construction services
1021 relating to the construction of such Public Site
1022 Improvements, the Developer shall select a
1023 contractor and the Village shall approve such
1024 contractor provided the conditions of this Section
1025 3.1(e) are met and further provided the contractor

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1026 can complete the improvements in such a manner and
1027 in accordance with such a timetable as may be
1028 agreed to by the Parties; and (ii) all such
1029 contracts shall be executed by the Village to the
1030 extent necessary to further the goals of this
1031 Agreement. The Developer shall not be required to
1032 advertise for bids or to submit multiple bids to
1033 the Village prior to entering into such contracts.
1034 (2) The Board of Trustees shall receipt all contracts
1035 submitted to it by the Developer in order to
1036 review: (i) that the contractors which are to
1037 perform work pursuant to such contracts are
1038 sufficiently experienced in doing the size and type
1039 of work required for the construction of the
1040 improvements to be constructed; (ii) that all such
1041 contracts accurately reflect the cost of completing
1042 such improvements; and (iii) that no purpose would
1043 be served in the Village's obtaining further bids
1044 for the construction of such improvements. The
1045 Board of Trustees shall have twenty-one (21) days
1046 to review and approve or disapprove the contracts
1047 submitted to it by the Developer. If disapproved,
1048 the Village Manager shall give reasons, in writing,
1049 to the Developer for such disapproval. All
1050 construction contracts shall provide for payment in
1051 accordance with the provisions of this Agreement.

1052 With respect to such construction contracts, and
1053 where the provisions of this Section 3.1(e) are
1054 satisfied, the Board of Trustees, in accordance
1055 with Ill.Rev.Stat. Ch. 24, S8-9-1 (1987), shall
1056 hereafter waive any advertising for bids by the
1057 Village.

1058 Notwithstanding the foregoing, the Village hereby
1059 approves those contracts which have been entered into as
1060 of the date of this Agreement or which are to be entered
1061 into, by or on behalf of the Developer, with the parties
1062 and for the services identified on Exhibit "N" to this
1063 Agreement; waives advertising for bids for the services
1064 to be provided by such contracts; and acknowledges that
1065 all costs incurred pursuant to those contracts shall be
1066 considered Project Costs that relate directly to Public
1067 Improvements or Public Site Improvements or Property
1068 Assembly Costs as Project Costs and both the Village and
1069 Sears agree that Chapman & Cutler as Bond Counsel for the
1070 Village will determine what costs in Exhibit "N" qualify
1071 as Project Costs under the Act. The provisions of
1072 Section 17.5 of this Agreement, Dispute Resolution shall
1073 not apply to the determination made by Chapman & Cutler
1074 relating to Exhibit "N" which are to be paid or
1075 reimbursed pursuant to the terms of this Agreement.

1076 (3) Notwithstanding the provisions of the foregoing
1077 paragraphs (1) and (2), the Village retains the

1078 right and the obligation to undertake the
1079 engineering, design and construction of the
1080 Sanitary Sewer Improvements and agrees to
1081 substantially complete, or cause the substantial
1082 completion of, the construction of the Sanitary
1083 Sewer Improvements by the SMG Occupancy Date.

1084 (f) SMG Occupancy Date.

1085 The Developer shall deliver the SMG Occupancy Date
1086 Notice to the Village not more than sixty (60) days after
1087 the date of the Amendment to the Annexation Agreements,
1088 and the Developer shall substantially complete, or cause
1089 the substantial completion of, the SMG Home Office
1090 Complex, and cause the SMG Occupancy Date to occur, not
1091 later than thirty (30) months after the date the
1092 Developer delivers the SMG Occupancy Date Notice to the
1093 Village provided the Village has completed construction
1094 of the Village Water Tank and the Sanitary Sewer
1095 Improvements.

1096 3.2. Phase II Development

1097 (a) General.

1098 The Phase II Development shall be constructed in
1099 accordance with the terms and provisions of the Economic
1100 Development Plan and shall include amenities, facilities
1101 and landscaping that are of a similar quality to other
1102 first-class office and mixed use developments located in
1103 the Greater Chicagoland Metropolitan Area. The Phase II

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1104 Development may occur in stages or phases. The Developer
1105 shall not be obligated to commence construction of the
1106 Phase II Development, or any portion thereof, at any
1107 time.

1108 (b) Construction of Phase II Development Public Site
1109 Improvements.

1110 (1) The Village retains the right to manage and oversee
1111 the engineering, design and construction of those
1112 Public Site Improvements which are to be
1113 constructed as part of the Phase II Development
1114 (except those Phase II Development Public Site
1115 Improvements identified on Exhibit "I" which are to
1116 be constructed upon the Subject Property), provided
1117 that the Village shall coordinate such engineering,
1118 design and construction with the Developer. The
1119 Developer shall act as the Village's agent for
1120 purposes of managing and overseeing the
1121 engineering, design and construction of the Phase
1122 II Development Public Site Improvements identified
1123 on Exhibit "I" to this Agreement which are to be
1124 constructed on the Subject Property provided,
1125 however, that: (i) before either the Village or the
1126 Developer enters into any contract for construction
1127 or construction services relating to the
1128 construction of such Phase II Development Public
1129 Site Improvements, the Developer shall select a
1130 contractor and the Village shall approve such

1131 contractor provided the conditions of this Section
1132 3.2(b) are met and further provided the contractor
1133 can complete the improvements in such a manner and
1134 in accordance with such a timetable as may be
1135 agreed to by the Parties; and (ii) all such
1136 contracts shall be executed by the Village to the
1137 extent necessary to further the goals of this
1138 Agreement. The Developer shall not be required to
1139 advertise for bids or to submit multiple bids to
1140 the Village.

1141 (2) The Board of Trustees shall receipt all contracts
1142 submitted to it by the Developer in connection with
1143 the construction of the Phase II Development Public
1144 Site Improvements identified on Exhibit "I" to this
1145 Agreement in order to review: (i) that the
1146 contractors which are to perform work pursuant to
1147 such contracts are sufficiently experienced in
1148 doing the size and type of work required for the
1149 construction of the improvements to be constructed;
1150 (ii) that all contracts accurately reflect the cost
1151 of completing such improvements; and (iii) that no
1152 purpose would be served in the Village's obtaining
1153 bids for the construction of such improvements.
1154 The Board of Trustees shall have twenty-one (21)
1155 days to review and approve or disapprove the
1156 contracts submitted to it by the Developer. If

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1157 disapproved, the Village Manager shall give
1158 reasons, in writing, to the Developer for such
1159 disapproval. All construction contracts shall
1160 provide for payment in accordance with the
1161 provisions of this Agreement. With respect to such
1162 construction contracts and where the provisions of
1163 this Section 3.2(b) are satisfied, the Board of
1164 Trustees, in accordance with Ill.Rev.Stat.
1165 Ch.24,S8-9-1(1987), shall hereafter waive any
1166 advertising for bids by the Village.

1167 **3.3. Construction of Public Works and Improvements**

1168 The Village retains the right to manage and oversee the
1169 engineering, design and construction of the Public Works and
1170 Improvements. The design and location of the Village Water Tank
1171 and the parameters for the design and construction of the Village
1172 Municipal Facility and the Village Water Tank shall be provided for
1173 in the Amendment to the Annexation Agreements.

1174 **3.4. Covenant to Run With Land Regarding Uses of the Subject**
1175 **Property.**

1176 The Developer hereby covenants that, for the term of the
1177 Economic Development Plan, the Subject Property shall be devoted
1178 only to the uses specified in the Economic Development Plan. Such
1179 covenant shall constitute a covenant running with the land which
1180 shall terminate upon expiration of the Economic Development Plan.
1181 At the request of the Village, the Developer shall execute, and
1182 record in the Cook County Recorder of Deeds Office, a Declaration
1183 of Covenants that confirms such covenant and that subjects the

1184 Subject Property to the terms of this Agreement and the Economic
1185 Development Plan.

1186 **3.5. Insurance**

1187 Prior to the commencement of construction of any portion of
1188 the Development, the Developer shall furnish, or cause to be
1189 furnished, to the Village certificates of insurance evidencing the
1190 procurement of comprehensive bodily injury and property damage
1191 liability insurance policies in the amount of at least two million
1192 dollars (\$2,000,000.00) for any injury or death to persons, five
1193 million dollars (\$5,000,000.00) for any injury or death to any
1194 number of persons arising out of any aggregate occurrence and five
1195 hundred thousand dollars (\$500,000.00) for property damage, which
1196 certificates confirm the naming of the Village, its officials,
1197 agents and employees as "additional insureds" under all such
1198 policies. The Developer shall have the option to provide the
1199 required insurance in a combined single limit form of not less than
1200 \$5,000,000.00. All such policies shall provide for at least thirty
1201 (30) days' notice to the Village of the cancellation or termination
1202 of such policies. Liability under the Illinois Structural Work Act
1203 and contractual liability for indemnification of the Village, its
1204 officials, agents and employees, shall be fully insured under these
1205 policies for the limits set forth above. The Developer shall cause
1206 such insurance to be maintained in force for so long as the
1207 Developer is undertaking the construction of any improvements on
1208 the Subject Property. Provided the Developer delivers to the
1209 Village documents that provide assurances to the Village equivalent

1210 to the assurances provided by the certificates of insurance as
1211 required above, the Developer shall have the right to self-insure
1212 for any or all of the losses described above.

1213 **3.6. Compliance of Plats, Plans and Construction Activities**
1214 **with Village Ordinances.**

1215 (a) All plats and plans submitted to the Village for the
1216 Village's review and approval shall comply with the codes
1217 and ordinances of the Village that are in effect at the
1218 time of such submittal except to the extent such codes or
1219 ordinances conflict with, or are made inapplicable to the
1220 Subject Property by, the Beverly Annexation Agreement,
1221 the Nederlander Annexation Agreement or the Amendment to
1222 the Annexation Agreements.

1223 (b) All construction activities undertaken on the Subject
1224 Property by, or under the direction of, the Developer
1225 shall be undertaken in compliance with the codes and
1226 ordinances of the Village that are in effect at the time
1227 of such construction except to the extent such codes or
1228 ordinances conflict with, or are made inapplicable to the
1229 Subject Property by, the Beverly Annexation Agreement,
1230 the Nederlander Annexation Agreement, the Amendment to
1231 the Annexation Agreements or this Agreement.

1232

1233

1234 ARTICLE 4. COSTS OF THE DEVELOPMENT CONSTITUTING "PROJECT
1235 COSTS" WHICH ARE TO BE PAID OR FINANCED
1236 PURSUANT TO THE PROVISIONS OF THIS AGREEMENT

1237 4.1. General

1238 To the fullest extent permitted by law, but subject to the
1239 provisions of Section 4.3 of this Article 4, all costs incurred by
1240 the Parties in furtherance of the Economic Development Plan and the
1241 Economic Development Project and the Development shall be deemed
1242 Project Costs and such costs shall be paid for or financed pursuant
1243 to the provisions of Article 6 of this Agreement.

1244 4.2. Project Costs Agreed Upon as of the Date of this
1245 Agreement.

1246 As of the date of this Agreement, the Parties acknowledge the
1247 following costs to be Project Costs which are to be paid for or
1248 financed pursuant to the provisions of this Agreement:

1249 (a) All reasonable or necessary Property Assembly Costs
1250 (including, without limitation, those costs identified on
1251 Exhibit "O" attached hereto) and both the Village and
1252 Sears agree that Chapman & Cutler as Bond Counsel for the
1253 Village will determine what costs in Exhibit "O" qualify
1254 as Project Costs under the Act. The provisions of
1255 Section 17.5 of this Agreement, Dispute Resolution shall
1256 not apply to the determination made by Chapman & Cutler
1257 relating to Exhibit "O";

1258 (b) All reasonable or necessary costs of construction of the
1259 Public Improvements (including, without limitation, those
1260 costs identified on Exhibit "P" attached hereto) and both
1261 the Village and Sears agree that Chapman & Cutler as Bond

1262 Counsel for the Village will determine what costs in
1263 Exhibit "P" qualify as Project Costs under the Act. The
1264 provisions of Section 17.5 of this Agreement, Dispute
1265 Resolution shall not apply to the determination made by
1266 Chapman & Cutler relating to Exhibit "P";

1267 (c) All reasonable or necessary costs of preparation of
1268 surveys, development of plans and specifications,
1269 implementation and administration of the Economic
1270 Development Plan, and retention of personnel and
1271 professionals for architectural, engineering, legal,
1272 marketing, financial, planning, police, fire, public
1273 works and other services;

1274 (d) All reasonable or necessary financing costs (including,
1275 without limitation, all necessary and incidental expenses
1276 related to the issuance of the Obligations, payment of
1277 any interest on any such Obligations which accrues during
1278 the estimated period of construction of the Economic
1279 Development Project for which such Obligations are issued
1280 and for not exceeding thirty-six (36) months thereafter,
1281 and any reasonable reserves related to the issuance of
1282 such Obligations);

1283 (e) All reasonable or necessary Village Project Costs; and

1284 (f) All reasonable or necessary private financing costs
1285 incurred by the Developer in furtherance of the Economic
1286 Development Plan, the Economic Development Project and
1287 the Development, and specifically including payments to

1288 the Developer as reimbursement for such costs incurred by
1289 the Developer, provided that:

1290 (1) Such private financing costs shall be paid or
1291 reimbursed by the Village only pursuant to the
1292 prior official action of the Village evidencing an
1293 intent to pay or reimburse the Developer for such
1294 private financing costs (which action shall be
1295 deemed to have been taken by the Corporate
1296 Authorities' adoption of an ordinance authorizing
1297 the Village's execution of this Agreement);

1298 (2) Except as provided in subparagraph (4) hereof, the
1299 aggregate amount of such costs paid or reimbursed
1300 by the Village to the Developer in any one year
1301 shall not exceed thirty percent (30%) of such costs
1302 paid or incurred by the Developer in that year;

1303 (3) Private financing costs shall be paid or reimbursed
1304 by the Village solely from the Special Tax
1305 Allocation Fund and shall not be paid or reimbursed
1306 from the proceeds of Obligations issued by the
1307 Village;

1308 (4) If there are not sufficient funds available in the
1309 Special Tax Allocation Fund in any year to make
1310 such payment or reimbursement in full, any amount
1311 of such interest cost remaining to be paid or
1312 reimbursed by the Village shall accrue, and, at
1313 Developer's request, be evidenced by the execution

1314 and delivery of a Note, and be payable when funds
1315 are available in the Fund to make such payment (and
1316 any such payment shall be made without regard to
1317 the limitations contained in subparagraph (2)
1318 hereof); and

1319 (5) In connection with the Department's approval and
1320 certification of the Economic Development Project
1321 pursuant to Section 5 of the Act, the Village shall
1322 forward a copy of this Agreement to the Department.

1323 4.3. Project Costs Incurred in Connection With the
1324 Construction of Public Site Improvements Identified by
1325 the Village After the Date of this Agreement.

1326 (a) If:

1327 (1) After the date of this Agreement, the Village
1328 determines that a public street, public utility or
1329 other public improvement that is not identified on
1330 either Exhibit "H" or Exhibit "I" to this Agreement
1331 must be constructed in order to further the
1332 Economic Development Project and the Development;
1333 and

1334 (2) The Developer accepts and agrees with such
1335 determination;

1336 then such public street, public utility or public
1337 improvement shall be deemed a "Public Site Improvement"
1338 and the entire cost of constructing such Public Site
1339 Improvement shall be deemed a Project Cost which is to be
1340 paid for or financed pursuant to the provisions of

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Article 6 of this Agreement.

2 (b) If:

1343 (1) After the date of this Agreement, the Village
1344 determines that a public street, public utility or
1345 other public improvement that is not identified on
1346 either Exhibit "H" or Exhibit "I" to this Agreement
1347 must be constructed in order to further the
1348 Economic Development Project and the Development;
1349 and

1350 (2) The Developer believes that such public street,
1351 public utility or other public improvement
1352 provides a material benefit to areas outside the
1353 boundaries of the Project Area;

1354 then, subject to the provisions of paragraph (d) of this
1355 Section 4.3, such public street, public utility or public
1356 improvement shall be deemed a "Public Site Improvement"
1357 and that portion, and only that portion, of the cost of
1358 constructing such Public Site Improvement which is
1359 specifically and uniquely attributable to the Development
1360 shall be deemed a Project Cost which is to be paid for or
1361 financed pursuant to the provisions of Article 6 of this
1362 Agreement.

1363 (c) Not less than 30 days after the Village makes a
1364 determination pursuant to the foregoing paragraph (a) or
1365 paragraph (b) that a public street, public utility or
1366 public improvement must be constructed in order to

1367 further the Economic Development Project and the
1368 Development, the Village shall deliver notice to the
1369 Developer identifying:

1370 (1) The public street, public utility or public
1371 improvement and the basis for the Village's
1372 determination that such public street, public
1373 utility or public improvement must be constructed
1374 in order to further the Economic Development
1375 Project and the Development;

1376 (2) The Village's determination of the anticipated cost
1377 of constructing such public street, public utility
1378 or public improvement;

1379 (3) The Village's determination as to whether or not
1380 such public street, public utility or public
1381 improvement provides a material benefit to areas
1382 outside the boundaries of the Project Area; and

1383 (4) The Village's determination as to the portion of
1384 the cost of constructing such public street, public
1385 utility or public improvement which is specifically
1386 and uniquely attributable to the Development.

1387 (d) If the Developer agrees with the Village's determinations
1388 made pursuant to the foregoing paragraph (c), then the
1389 portion of the cost of constructing such public street,
1390 public utility or public improvement which is
1391 specifically and uniquely attributable to the Development
1392 shall be deemed a Project Cost. If the Developer

1393 disagrees with any determination made by the Village
1394 pursuant to the provisions of this Section 4.3, then the
1395 following process shall occur:

1396 (1) The Developer shall deliver notice to the Village
1397 identifying the specific Village determination with
1398 which the Developer disagrees;

1399 (2) The Village, at the Village's cost, shall retain a
1400 consultant to provide evidence which supports the
1401 Village's determination and shall submit that
1402 evidence, with a report that summarizes the
1403 consultant's methodologies and conclusions, to the
1404 Developer;

1405 (3) If the Developer disagrees with such consultant's
1406 evidence, methodologies or conclusions, then the
1407 Developer, at the Developer's cost, shall retain a
1408 consultant to provide evidence which supports the
1409 Developer's conclusions relative to the Village's
1410 determination and shall submit that evidence, with
1411 a report that summarizes such consultant's
1412 methodologies and conclusions, to the Village; and

1413 (4) If the Parties are thereafter unable to resolve
1414 their difference of opinion, then the Village's
1415 consultant and the Developer's consultant shall
1416 jointly choose a third consultant, at a cost to be
1417 shared equally by the Village and the Developer,
1418 who shall make a final determination as to the

1419 matter in dispute, and such determination shall be
1420 final and binding on the Parties.

1421 **4.4. Determining "Reasonable or Necessary" Costs**

1422 Determinations of the Parties as to what costs are "reasonable
1423 or necessary" costs that are incidental to the Economic Development
1424 Project, as such terms are used in the Act and this Agreement,
1425 shall be consistent with the provisions of Sections 2.1 and 4.1 of
1426 this Agreement.

1427 **ARTICLE 5. SPECIAL TAX ALLOCATION FUND**

1428 **5.1. Deposit of Monies into Fund**

1429 In accordance with the Act, the Village Treasurer shall
1430 promptly deposit in the Special Tax Allocation Fund, upon receipt,
1431 all Tax Increment Revenues, all other monies required by the Act or
1432 this Agreement to be deposited in the Fund, and all earnings
1433 realized upon the investment of such monies. Monies deposited in
1434 the Fund shall be used only for the purposes, and in the manner,
1435 specified in this Agreement and the Act.

1436 **5.2. Accounting of Monies Deposited in Fund**

1437 The Village shall establish such accounts and keep such books
1438 and records as are necessary to implement the provisions of this
1439 Agreement, the Act and the ordinances adopted in connection with
1440 each issue of Bonds. From and after the date of this Agreement,
1441 the Village shall provide the Developer with its annual financial
1442 report which shall include a statement of monies deposited into and
1443 disbursed from the Fund. Such report shall be undertaken in
1444 accordance with generally accepted auditing standards by a

1445 certified public accounting firm designated by the Village. The
1446 Developer shall have the right to review the books and records of
1447 the Village which relate to the Fund and any fund or account
1448 holding proceeds of Revenue Bonds and Notes. At the request of the
1449 Developer, a separate compliance audit shall be performed to
1450 provide sufficient detail to enable the Parties to determine
1451 whether or not there has been compliance with the provisions of
1452 this Agreement and the Act. Both the accounting records and all
1453 financial audits of the Fund shall separately identify Phase I Tax
1454 Increment Revenues and Phase II Tax Increment Revenues. If the
1455 Developer requests a separate compliance audit of the Fund, the
1456 cost of such compliance audit shall not be a Village Project Cost
1457 unless the compliance audit indicates material non-compliance; in
1458 that event, the cost shall be a Village Project Cost.

1459 **5.3. Investment of Monies Deposited in the Fund**

1460 The Village shall invest monies in the Fund from time to time
1461 only in those investment vehicles as are identified, as of the date
1462 of this Agreement, in Section 2 of "An Act Relating to Certain
1463 Investments of Public Funds by Public Agencies"
1464 (Ill.Rev.Stat.Ch.85,SS902). All income earned on the investment of
1465 such monies shall be deposited in the Fund pursuant to Section 5.1
1466 of this Article 5. The Village shall not transfer or loan monies
1467 deposited in the Fund to other Village funds.

1468 **ARTICLE 6. PAYMENT AND FINANCING OF PROJECT COSTS**

1469 **6.1. Project Costs Other Than Village Project Costs**

1470 The Village shall pay and finance those Project Costs

1471 identified in Article 4 of this Agreement other than Village
1472 Project Costs solely from Tax Increment Revenues, the proceeds of
1473 Obligations, the proceeds of Developer Advances, grants from the
1474 State of Illinois or other monies made available for such purposes
1475 pursuant to the Act or the provisions of this Agreement. The
1476 Village shall reimburse the Developer for the Project Costs
1477 identified in Article 4 of this Agreement which the Developer has
1478 paid or incurred out of Tax Increment Revenues or other monies
1479 deposited in the Fund, the proceeds of Revenue Bonds, or other
1480 monies made available for such purposes pursuant to the Act or the
1481 provisions of this Agreement. The foregoing provision shall not
1482 preclude the Parties, as provided in Article 2 of this Agreement,
1483 from seeking and securing other funding sources for the
1484 construction of public improvements which are deemed reasonable or
1485 necessary to the implementation of the Economic Development Plan
1486 and the furtherance of the Economic Development Project.

1487 **6.2. Payment and Financing of Village Project Costs**

1488 All Village Project Costs shall be paid out of, or financed
1489 by, the Village's portion of the Phase I Allocated Tax Increment
1490 Revenue Amounts (as identified in Column 2 of Exhibit "B" attached
1491 hereto); those Developer Advances and donations specified in
1492 Sections 10.1, 10.2 and 10.5 of this Agreement, or the proceeds of
1493 General Obligation Bonds or Village Obligations secured solely by
1494 the Village's portion of the Phase I Allocated Tax Increment
1495 Revenue Amounts. Debt service on Village Obligations which are
1496 issued to pay Village Project Costs shall be paid solely out of the

1497 Village's portion of the Phase I Allocated Tax Increment Revenue
1498 Amounts and such other monies as may be available to the Village
1499 for such purposes. Any portion of the Village's portion of the
1500 Phase I Allocated Tax Increment Revenue Amounts (as identified in
1501 Column 2 of Exhibit "B" attached hereto) which is not used or
1502 encumbered to pay or finance Village Project Costs or to pay such
1503 debt service shall be paid by the Village to the Cook County
1504 Collector for distribution to the Village and the affected Taxing
1505 Districts in accordance with the surplus distribution provisions of
1506 the Act. The portion of the Phase II Allocated Tax Increment
1507 Revenue Amounts which are distributed to the Village pursuant to
1508 Article 7 of this Agreement need not be used by the Village to pay
1509 or finance Village Project Costs. Notwithstanding any other
1510 provisions of this Agreement, the estimated three million dollar
1511 (\$3,000,000.00) cost for constructing the Sanitary Sewer
1512 Improvements shall not be considered a Village Project Cost
1513 although the Parties acknowledge the Village's intention to secure
1514 the "Build Illinois" grant referenced in Section 2.2 of this
1515 Agreement and the Village's agreement to apply the proceeds of such
1516 grant, if and when received, to the construction of the Sanitary
1517 Sewer Improvements. The Developer shall have no obligation to pay
1518 Village Project Costs, or to make Developer Advances for the
1519 purpose of paying Village Project Costs, except to the extent
1520 provided for in Sections 10.1, 10.2 and 10.5 of this Agreement.

1521 **6.3. Issuance of Bonds/Execution and Delivery of Notes**

1522 The Village shall issue Bonds and execute and deliver Notes,

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1523 as necessary to fulfill its obligations under the terms of this
1524 Agreement, as follows:

1525 (a) From time to time, the Village, in its sole discretion,
1526 may issue its General Obligation Bonds, and tax increment
1527 revenue bonds secured solely by the Village's portion of
1528 the Phase I Allocated Tax Increment Revenue Amounts, in
1529 amounts sufficient to satisfy and pay for Project Costs,
1530 including without limitation Village Project Costs.
1531 Notwithstanding the foregoing, the Village shall not
1532 issue any General Obligation Bonds until it has received
1533 the SMG Occupancy Date Notice from the Developer;

1534 (b) From time to time, the Village pursuant to the terms of
1535 this Agreement and after it has received the SMG
1536 Occupancy Date Notice from the Developer, shall issue
1537 economic development project tax increment revenue bonds
1538 in amounts sufficient to satisfy and pay for the Project
1539 Costs described in Article 4 of this Agreement other than
1540 Village Project Costs (but in no event shall private
1541 financing costs incurred by the Developer in connection
1542 with the Economic Development Project be paid or
1543 reimbursed from the proceeds of Revenue Bonds);

1544 (c) To the extent:

1545 (1) The proceeds of Revenue Bonds are not sufficient to
1546 satisfy, or cannot be used to satisfy, the Project
1547 Costs described in Article 4 of this Agreement; and

1548 (2) The Tax Increment Revenues (other than the

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1549 Allocated Tax Increment Revenue Amounts) then
1550 deposited in the Fund, are not, and will not be,
1551 sufficient or available to satisfy such Project
1552 Costs; and

1553 (3) Such Project Costs do not constitute Village
1554 Project Costs;

1555 the Developer, to the extent permitted by the Act, shall make a
1556 Developer Advance to satisfy such Project Costs and the Village
1557 shall execute and deliver its Note to evidence such Developer
1558 Advance. Notwithstanding the foregoing, the Developer shall not
1559 advance, or be required to advance, monies needed to satisfy debt
1560 service requirements on the Obligations, to establish reserves for
1561 the debt service requirements of the Obligations or to retire or
1562 redeem any Obligations and no Developer Advance shall be used for
1563 such purpose.

1564 **6.4. Limited Liability of the Village**

1565 The Village shall not be required to pay and finance any of
1566 those Project Costs identified in Article 4 of this Agreement
1567 (other than Village Project Costs) unless funds for such purposes
1568 are available from Tax Increment Revenues (other than Allocated Tax
1569 Increment Revenue Amounts), the proceeds of Obligations, the
1570 proceeds of Revenue Bonds, the proceeds of Developer Advances,
1571 grants from the State of Illinois or other monies made available
1572 for such purposes pursuant to the Act or the provisions of this
1573 Agreement. The Village shall not be required to reimburse the
1574 Developer for such Project Costs unless funds for such purposes are

1575 available from Tax Increment Revenues (other than Allocated Tax
1576 Increment Revenue Amounts), or other monies deposited from time to
1577 time in the Fund, the proceeds of Revenue Bonds or other monies
1578 made available for such purposes pursuant to the Act or the
1579 provisions of this Agreement.

1580 **6.5. Developer Advances**

1581 All monies paid to the Village by the Developer in furtherance
1582 of the Economic Development Project and pursuant to the provisions
1583 of this Agreement shall be accounted for separately within the Fund
1584 and all such advances shall be deemed Developer Advances, unless
1585 provided otherwise in this Agreement. All Developer Advances made
1586 in connection with the incurring of various Project Costs may be
1587 paid to the Village prior to or subsequent to the incurring of such
1588 Project Costs. All Developer Advances shall be evidenced by the
1589 Village's execution and delivery of a Note in accordance with the
1590 provisions of Article 8 of this Agreement. The Developer shall
1591 advance the funds necessary to pay any such Project Costs within
1592 fourteen (14) days of its receipt of a written request therefor
1593 from the Village Manager. Notwithstanding the foregoing, the
1594 Developer shall not be required to make any Developer Advance until
1595 the terms and conditions and the form of the Note which is to be
1596 executed and delivered to evidence such Developer Advance have been
1597 agreed upon by the Parties, which terms, conditions and form shall
1598 be consistent with the terms of this Agreement.

1599 **6.6. Procedure for Payment and Reimbursement to the Developer**
1600 **of Project Costs**

1601 All payment and reimbursement requests of the Developer in the

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1602 amount of four thousand dollars (\$4,000.00) or less, and all
1603 payment or reimbursement requests of the Developer of more than
1604 four thousand dollars (\$4,000.00) made pursuant to contracts which
1605 have been previously approved by the Board of Trustees (whether
1606 pursuant to this Agreement or otherwise) shall be undertaken
1607 pursuant to the authorization of the Village Manager. In order to
1608 effect such payment or reimbursement (whether being made to the
1609 Developer or others), the Developer shall submit to the Village
1610 Manager, for his review and approval (which approval shall not be
1611 unreasonably withheld or delayed), all affidavits, lien waivers and
1612 other documentation as may be necessary to effect such payment or
1613 reimbursement. The Village Manager shall inform the appropriate
1614 Village financial officer of such approval within ten (10) working
1615 days of receipt of such documentation or, within said period, shall
1616 provide the Developer with a specific written explanation of his
1617 reasons for disapproving such request. Such Village financial
1618 officer shall effect payment or reimbursement within five (5)
1619 working days of receipt of the Village Manager's approval of any
1620 request for payment or reimbursement. All payment or reimbursement
1621 requests of the Developer of more than four thousand dollars
1622 (\$4,000.00) which are not being made pursuant to a contract which
1623 has been previously approved by the Board of Trustees shall be
1624 submitted to the Board of Trustees for its review and approval
1625 (which approval shall not be unreasonably withheld or delayed).
1626
1627

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1628 ARTICLE 7. UTILIZATION OF TAX INCREMENT REVENUES

1629 7.1. Tax Increment Revenues Received Prior to the
1630 Phase I Tax Increment Revenue Commencement Date.

1631 Prior to the Phase I Tax Increment Revenue Commencement Date,
1632 the Village from time to time shall disburse or allocate Tax
1633 Increment Revenues as they are received and deposited in the Fund,
1634 subject to the provisions of any ordinance authorizing the issuance
1635 of Revenue Bonds, as follows:

1636 (1) First, the Village shall pay, or allocate amounts
1637 sufficient to satisfy, debt service requirements
1638 (and any increases in required reserves) due in the
1639 current year and coming due in the following year
1640 on all outstanding Revenue Bonds; and

1641 (2) The balance, if any, shall be reserved by the
1642 Village to pay Project Costs (other than Village
1643 Project Costs) to be incurred within the next three
1644 (3) years and to provide reserves needed to secure
1645 outstanding Revenue Bonds and Notes.

1646 7.2. Tax Increment Revenues Received On and Subsequent to
1647 Phase I Tax Increment Revenue Commencement Date.

1648 Commencing with the Phase I Tax Increment Revenue Commencement
1649 Date and continuing thereafter as Tax Increment Revenues are
1650 received and deposited in the Fund, the Village from time to time
1651 shall disburse or allocate Tax Increment Revenues, subject to the
1652 provisions of any ordinance authorizing the issuance of Revenue
1653 Bonds, as follows:

1654 (1) First, subject to the last sentence of Section 8.2

1655 of this Agreement, the Village shall: (i) disburse
1656 or allocate Phase I Allocated Tax Increment Revenue
1657 Amounts to the Village up to the maximum amounts
1658 set forth in Column 1 of Exhibit "B" to this
1659 Agreement; and (ii) disburse or allocate the Phase
1660 II Allocated Tax Increment Revenue Amounts to the
1661 Village and the affected Taxing Districts in an
1662 aggregate amount that is determined by multiplying
1663 the percentages set forth on Exhibit "C" to this
1664 Agreement times the amount of Phase II Tax
1665 Increment Revenues received and deposited in the
1666 Fund, which Phase II Allocated Tax Increment
1667 Revenue Amounts shall be distributed to the Village
1668 and the affected Taxing Districts in accordance
1669 with the surplus distribution provisions of the
1670 Act;

1671 (2) Next, the Village shall pay, or allocate amounts
1672 sufficient to satisfy, debt service requirements
1673 due in the current year and coming due in the
1674 following year on all outstanding Revenue Bonds,
1675 and to provide reserves needed to secure
1676 outstanding Revenue Bonds;

1677 (3) Next, the Village shall pay, or allocate amounts
1678 sufficient to satisfy, debt service requirements
1679 due in the current year and coming due in the
1680 following year on all outstanding Notes (unless the

1681 holder of such Notes agrees, in writing, to defer
1682 such payment);
1683 (4) Next, the Village shall pay, or allocate amounts
1684 sufficient to pay, outstanding Project Costs (other
1685 than Village Project Costs); and
1686 (5) Next, the Village shall pay, or allocate amounts
1687 sufficient to pay Project Costs (other than Village
1688 Project Costs) to be incurred within three (3)
1689 years, or to purchase or redeem all or a portion of
1690 the outstanding Notes or Revenue Bonds, as the
1691 Parties by mutual agreement shall annually
1692 determine.
1693 (6) The balance, if any, shall be paid to the Cook
1694 County Collector for distribution to the Village
1695 and the affected Taxing Districts, for deposit in
1696 their appropriate accounts, in accordance with the
1697 surplus distribution provisions of the Act.

1698 **7.3. The Village's Distribution of The Phase I Allocated Tax**
1699 **Increment Revenue Amounts**

1700 Upon receipt, the Village, subject to the provisions of any
1701 ordinance authorizing the issuance of General Obligation Bonds, and
1702 from time to time shall disburse or allocate the Phase I Allocated
1703 Tax Increment Revenue Amounts as follows:

1704 (1) First, the Village may pay, or allocate an amount
1705 sufficient to satisfy, debt service requirements
1706 due in the current year and coming due in the
1707 following year on any outstanding Village

1708 Obligations;

1709 (2) Next, the Village shall pay, or allocate an amount

1710 sufficient to satisfy, outstanding Village Project

1711 Costs;

1712 (3) Next, the Village shall pay, or allocate an amount

1713 sufficient to reimburse the Village for, Village

1714 Project Costs which have been theretofore paid or

1715 incurred by the Village;

1716 (4) The balance, if any, shall be paid to the Cook

1717 County Collector for distribution to the Village

1718 and the affected Taxing Districts, for deposit in

1719 their appropriate accounts, in accordance with the

1720 surplus distribution provisions of the Act,

1721 provided, however, that the amount of Phase I Tax Increment Revenue

1722 Amounts paid to, or allocated by, the Village annually pursuant to

1723 paragraphs (1), (2), and (3) above shall not exceed the amounts

1724 specified in Column 2 of Exhibit "B" to this Agreement.

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1727

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1729 **ARTICLE 8. BONDS AND NOTES**

1730 **8.1. Issuance, Execution and Delivery**

1731 The Parties acknowledge that the acquisition of the Subject
1732 Property and the Development, and the construction of the Public
1733 Improvements, as provided in the Economic Development Plan and this
1734 Agreement, necessitate the use of proceeds from one or more issues
1735 or series of Revenue Bonds and from the execution and delivery of
1736 one or more Notes to pay Project Costs as provided in the Economic
1737 Development Plan and in this Agreement. Accordingly, the Village
1738 shall issue Revenue Bonds and execute and deliver Notes to finance
1739 Project Costs pursuant to the Act and the terms of this Agreement.
1740 Such Revenue Bonds shall be in the aggregate amounts which
1741 reasonably can be sold based upon the security which can be
1742 provided to the purchasers of such Revenue Bonds under the
1743 provisions of this Agreement. Such Revenue Bonds and Notes shall
1744 not be secured by the full faith and credit of the Village. One or
1745 more issues or series of Revenue Bonds to pay for Project Costs
1746 (other than Village Project Costs) may be sold at one or more times
1747 in order to implement the Economic Development Plan and the
1748 Economic Development Project, provided that the Village shall not
1749 be required to issue such Revenue Bonds until necessary credit
1750 enhancements and security, as may reasonably be deemed necessary by
1751 the Village, have been established. The amount of each series of
1752 Revenue Bonds to be issued by the Village shall be supported by a
1753 feasibility report prepared by, or at the direction of, the
1754 Developer, which shall reasonably determine the amount of each

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1755 series of such Revenue Bonds which can be issued and which shall be
1756 satisfactory to the Village. Such report shall analyze the
1757 projected cash flows (from Tax Increment Revenues and other
1758 sources), credit enhancements and other security provisions related
1759 to the issuance of such series of such Revenue Bonds, all then
1760 outstanding Revenue Bonds and all Revenue Bonds expected to be
1761 issued thereafter.

1762 **8.2. Interest Payment, Maturity, Priorities and Credit**
1763 **Enhancements**

1764 All Bonds issued pursuant to this Agreement shall bear
1765 interest at prevailing market rates for similar instruments and
1766 shall be subject to such other terms and conditions as are agreed
1767 to by the Village and the Developer, subject to the Village
1768 ordinances authorizing issuance of such Bonds and the provisions
1769 of this Agreement applicable at the time of issuance of the Bonds.
1770 All taxable Notes executed and delivered pursuant to this Agreement
1771 shall bear interest at the rate of interest announced from time to
1772 time by Continental Bank N.A. at Chicago, Illinois, as its "prime
1773 rate". If, for any reason, Continental Bank N.A. shall cease to
1774 announce a "prime rate" then such taxable Notes shall bear interest
1775 at the rate of interest announced from time to time by The First
1776 National Bank of Chicago at Chicago, Illinois, as its "prime rate"
1777 or "base rate". The Parties shall agree upon the interest rate to
1778 apply to any tax-exempt Notes executed and delivered pursuant to
1779 this Agreement and prior to their execution and delivery. All
1780 Bonds and Notes shall mature on or before September 11, 2012 and in
1781 any event within 20 years of the date of issuance or execution and

1782 delivery thereof. All Revenue Bonds issued, and all Notes executed
1783 and delivered, pursuant to this Agreement shall be limited
1784 obligations of the Village payable solely from Tax Increment
1785 Revenues (subject to the last sentence of this Section 8.2) and the
1786 other monies deposited from time to time in the Fund as a result of
1787 the investment of such Tax Increment Revenues, as and to the extent
1788 available for such purposes, and by such capitalized interest, debt
1789 service reserves and sinking funds or other available credit
1790 enhancements as may be provided by the ordinances adopted by the
1791 Village from time to time in conjunction with each issue of Revenue
1792 Bonds and each delivery of Notes. Revenue Bonds issued and
1793 outstanding pursuant to this Agreement shall be secured by a first
1794 priority pledge of amounts in the Fund subsequent and subordinate
1795 only to the obligation to make the payments due under Section
1796 7.2(1) (unless the Village shall have agreed upon an alternative
1797 mechanism to provide for the payments which are otherwise to be
1798 made under Section 7.2(1).)

1799 **8.3. Tax-Exempt Issues**

1800 The Village, as issuer of the Obligations, and the Developer
1801 shall cooperate with each other in an attempt to ensure that
1802 interest paid on the Obligations is exempt from Federal income
1803 taxes, provided that the Village shall not be required to take any
1804 action that is inconsistent with the provisions of this Agreement
1805 or the Village's rights herein.

1806 **8.4. SMG Completion Guaranty Note.**

1807 Upon the Village's issuance of any General Obligation Bonds

1808 pursuant to Section 6.3(a) of this Agreement, the Developer shall
1809 execute and deliver to the Village a note guaranteeing substantial
1810 completion of the SMG Home Office Complex by the end of the
1811 calendar year in which the SMG Occupancy Date is to occur (as
1812 established by the SMG Occupancy Date Notice) and providing for the
1813 payment to the Village when due of liquidated damages to be agreed
1814 upon by the Parties. Notwithstanding the foregoing, the Village
1815 shall not issue any General Obligation Bonds until the Village has
1816 received the SMG Occupancy Date Notice from the Developer.

1817 **ARTICLE 9. TAX PROTESTS AND APPEALS/PAYMENT OF REAL ESTATE**
1818 **TAXES**

1819 **9.1. Tax Protests and Appeals**

1820 The Parties acknowledge that certain assumptions will be made
1821 relative to the future assessed valuations of the Subject Property
1822 as and when the Development occurs and as and when Bonds are issued
1823 by the Village in connection with the Development. The Parties
1824 further acknowledge that attaining and maintaining said assessed
1825 valuations will have a material effect on the revenue available to
1826 pay debt service on such Bonds. Accordingly, for so long as such
1827 Bonds are outstanding, neither the Developer nor its agents,
1828 representatives, successors, assigns, tenants or transferees of any
1829 portion of the Subject Property shall initiate, take or perform any
1830 acts attempting to reduce the assessed valuation of any portion of
1831 the Subject Property if such reduction will cause the then-current
1832 total assessed valuation of the Subject Property to be less than
1833 the Total Minimum Assessed Valuation. The Total Minimum Assessed
1834 Valuation of the Subject Property shall be established, in writing,

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1835 by the Parties from time to time as Bonds are issued in connection
1836 with the development of the Subject Property. The foregoing shall
1837 not preclude or prohibit the Developer from protesting the assessed
1838 value of the SMG Home Office Complex for the limited purpose of
1839 establishing a partial year assessment of the building assessment
1840 for the year in which the SMG Occupancy Date occurs.

1841 **9.2. Miscellaneous**

1842 Except as otherwise expressly set forth in this Article 9, the
1843 Developer shall have the same right to challenge real estate taxes
1844 as is offered to the taxpayers and owners of other real property
1845 situated within Cook County, Illinois, but no such challenge shall
1846 be made without notice to the Village. The Developer further
1847 agrees, that to the extent it is obligated to pay any portion of
1848 the real estate tax bills for the Subject Property, it shall pay
1849 such taxes promptly before the date of delinquency of such tax
1850 bills. The Developer shall file necessary documentation with the
1851 appropriate governmental authorities in order to cause the Phase I
1852 Site, the Phase II Site and the PCMT Property to be identified by
1853 separate permanent tax index numbers so that the provisions of this
1854 Agreement can be given effect.

1855 **ARTICLE 10. SPECIFIC DEVELOPER ADVANCES AND DONATIONS**

1856
1857 **10.1. Developer Advance for Costs of Administering the**
1858 **Economic Development Plan**

1859 The Developer shall advance to the Village the sum of two
1860 hundred ten thousand dollars (\$210,000) to be used by the Village
1861 to pay for one (1) new employee and for clerical support to be
1862 hired specifically for the purpose of implementing and
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1863 administering the Economic Development Plan and Economic
1864 Development Project during the period commencing with the date of
1865 this Agreement and terminating on September 30, 1992. This sum
1866 shall be advanced to the Village in three (3) equal installments of
1867 seventy thousand dollars (\$70,000.00) each, with the first
1868 installment being advanced upon execution of this Agreement; the
1869 second installment being advanced on November 1, 1990; and the
1870 third installment being advanced on November 1, 1991. Funds
1871 advanced to the Village pursuant to this Section 10.1 shall be
1872 considered Developer Advances. Principal and interest obligations
1873 coming due on the Notes executed by the Village to evidence such
1874 Developer Advances shall not be paid out of the Village's portion
1875 of the Phase I Allocated Tax Increment Revenue Amounts (as
1876 identified in Column 2 of Exhibit "B" attached hereto).

1877 **10.2. Developer Advance for Police and Fire Personnel**

1878 The Developer shall advance to the Village the sum of one
1879 million, two hundred twenty-five thousand dollars (\$1,225,000)
1880 which the Developer agrees shall be used by the Village to pay the
1881 cost of hiring and training sufficient police officers and
1882 firefighters in the sole discretion of the Village, to serve the
1883 Development upon the Developer's occupancy of the SMG Home Office
1884 Complex. This sum shall be advanced to the Village as follows: an
1885 initial installment of five hundred twenty-five thousand dollars
1886 (\$525,000.00) shall be advanced to the Village on January 1, 1991;
1887 and the balance of seven hundred thousand dollars (\$700,000.00)
1888 shall be advanced to the Village on January 1, 1992. In addition,

1889 commencing January 1, 1993 and continuing on the first day of each
1890 month thereafter through and including April 1 of the calendar year
1891 in which the Phase I Tax Increment Revenue Commencement Date is to
1892 occur, the Developer shall advance an amount which is not more than
1893 sixty-three thousand eight hundred dollars (\$63,800.00), which
1894 amount shall be increased by 10% on January 1, 1994 and by 10% on
1895 each January 1 thereafter, in order to reimburse the Village for
1896 police and fire personnel costs incurred by the Village for that
1897 period of time subsequent to the SMG Occupancy Date established by
1898 the SMG Occupancy Date Notice through and including April 30 of the
1899 calendar year in which the Phase I Tax Increment Revenue
1900 Commencement Date occurs. Notwithstanding the above, the Developer
1901 shall not be obligated to make monthly payments after January 1,
1902 1993 for any months wherein the delay of the Phase I Tax Increment
1903 Revenue Commencement Date is due to breach by the Village as
1904 provided in Article 17 of this Agreement. Funds advanced to the
1905 Village pursuant to this Section 10.2 shall be considered Developer
1906 Advances. Principal and interest obligations coming due on the
1907 Notes executed by the Village to evidence such Developer Advances
1908 shall not be paid out of the Village's portion of the Phase I
1909 Allocated Tax Increment Revenue Amounts (as identified in Column 2
1910 of Exhibit "B" attached hereto).

1911 **10.3. Donation of Village Municipal Site**

1912 The Developer shall donate and convey the Village Municipal
1913 Site to the Village, or cause such donation and conveyance to be
1914 made to the Village. Such donation and conveyance shall occur not

more than thirty (30) days after the date the Developer, or the Developer's nominee, acquires title to the portion of the Subject Property which contains the Village Municipal Site, and, in any event, such donation and conveyance shall occur prior to issuance of the first building permit for a structure which is to be constructed on the Subject Property. The donation of the Village Municipal Site shall constitute the donation of land required to be made to the Village for municipal purposes pursuant to the Beverly Annexation Agreement.

10.4. Donations Relating to Redevelopment of PCMT Property

(a) Loss of Contracted Service Income.

If, during the Term of this Agreement, the Poplar Creek Music Theater is permanently closed due to the redevelopment of the PCMT Property (hereafter referred to as "closure"), and provided such redevelopment occurs at the request of the Developer, the Developer shall make a one-time donation to the Village of the sum of four hundred fifty thousand dollars (\$450,000.00) for deposit in its general fund to compensate for loss of income to the Village for contracted services. Such donation shall be made on June 1 of the first year following the date of the Poplar Creek Music Theater closure as aforesaid. Funds donated to the Village pursuant to this Section 10.4(a) shall not be considered Developer Advances and such sums shall not be paid out of Tax Increment Revenues or out of the proceeds of Revenue Bonds.

1942 (b) Reductions in Equalized Assessed Value.

1943 If, as a result of the Poplar Creek Music Theater closure
1944 and the redevelopment of the PCMT Property, provided such
1945 redevelopment occurs at the request of the Developer, the
1946 equalized assessed value of that property, during the
1947 period of redevelopment, falls below the portion of the
1948 Total Initial Equalized Assessed Value which was
1949 attributable to the property, the Developer shall pay to
1950 the Village an amount equal to the Village's loss in real
1951 property tax revenue occasioned by said closure. Such
1952 loss in real property tax revenue shall be computed by
1953 multiplying: (i) the difference between that portion of
1954 the Total Initial Equalized Assessed Value which was
1955 attributable to the property and the then equalized
1956 assessed value of such property; by (ii) the Village's
1957 real estate tax rate for the applicable tax year. This
1958 donation shall be recomputed every year and shall
1959 continue for so long as the Village realizes a loss in
1960 real property tax revenue as a result of the closure of
1961 the Poplar Creek Music Theater (as computed above) or
1962 until this Agreement terminates, whichever first occurs.
1963 Funds paid to the Village pursuant to this Section
1964 10.4(b) may be used by the Village for any legal
1965 purposes. Such funds shall not be considered Developer
1966 Advances and such funds shall not be paid out of Tax
1967 Increment Revenues or out of the proceeds of Revenue

1968 Bonds. Notwithstanding the foregoing, no such funds
1969 shall be paid to the Village unless the Village shall
1970 first have obtained the opinion of a nationally
1971 recognized bond counsel that such payment will not affect
1972 the tax-exempt status of any outstanding Bonds.

1973 (c) Municipal Entertainment Tax.

1974 If, as a result of the closure of the Poplar Creek Music
1975 Theater and the redevelopment of the PCMT Property,
1976 provided such redevelopment occurs at the request of the
1977 Developer, then the Developer shall pay to the Village an
1978 amount equal to the amount of municipal entertainment tax
1979 revenue which was realized by the Village in the year
1980 immediately preceding such closure provided, however,
1981 that the Developer shall only be required to pay such
1982 sums to the Village for so long as the Village shall be
1983 entitled to receive funds under Section 10.4(b). Funds
1984 paid to the Village pursuant to this Section 10.4(c) may
1985 be used by the Village for any legal purposes. Such
1986 funds shall not be considered Developer Advances and such
1987 funds shall not be paid out of Tax Increment Revenues or
1988 out of the proceeds of Revenue Bonds.

1989 10.5. Developer Advance for Miscellaneous Village Project
1990 Costs

1991 The Developer shall advance to the Village, within thirty (30)
1992 days of the date of this Agreement, the sum of fifty-eight thousand
1993 three hundred dollars (\$58,300.00) in order to reimburse the
1994 Village for the fees of Chapman & Cutler (in the amount of

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1995 \$40,000.00) and the fees of Teska & Associates, Inc. (in the amount
1996 of \$18,300.00), which fees were incurred by the Village in
1997 establishing the Economic Development Project and preparing the
1998 Economic Development Plan. Funds advanced to the Village pursuant
1999 to this Section 10.5 shall be considered a Developer Advance.
2000 Principal and interest obligations coming due on the Note executed
2001 by the Village to evidence such Developer Advance shall not be paid
2002 out of the Village's portion of the Phase I Allocated Tax Increment
2003 Revenue Amounts (as identified in Column 2 of Exhibit "B" attached
2004 hereto).

2005 **10.6. No Other Donations**

2006 In consideration of the donations which the Developer has
2007 agreed to make in accordance with the provisions of this Article
2008 10, and in further consideration of the fact that the Parties
2009 contemplate satisfying and financing all public costs of developing
2010 the Subject Property pursuant to the provisions of this Agreement,
2011 the Developer shall not be required by the Village, directly or
2012 indirectly, to make any other donations of land or cash to the
2013 Village or any other public body as a result of the Development of
2014 the Subject Property or in furtherance of the Economic Development
2015 Project. Specifically, but without limitation, the Developer shall
2016 not be required by the Village: (i) to pay any impact fees for
2017 Village Project Costs, or for improvements which are to be financed
2018 pursuant to this Agreement (other than customarily and uniformly
2019 imposed sewer and water connection and user charges, building and
2020 occupancy permit fees and engineering inspection and plan review

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2021 fees); or (ii) to make any donations of land or cash to the Village
2022 for school, park, library or other public purposes (whether
2023 pursuant to the Beverly Annexation Agreement, the Nederlander
2024 Annexation Agreement, or otherwise).

2025 **ARTICLE 11. NOTICES**

2026 All notices required or permitted to be given pursuant to the
2027 provisions of this Agreement shall be in writing and shall be
2028 served on the Parties, either personally, with evidence of receipt,
2029 or by certified or registered mail, return receipt requested, as
2030 follows:

2031 **if to the Village:** Village of Hoffman Estates
2032 1200 North Gannon Drive
2033 Hoffman Estates, Illinois 60196
2034 Attn: Village Manager

2035 **with copies to:** Village of Hoffman Estates
2036 1200 North Gannon Drive
2037 Hoffman Estates, Illinois 60196
2038 Attn: Corporation Counsel

2039 Burke & Ryan
2040 33 North Dearborn Street
2041 Suite 402
2042 Chicago, Illinois 60602
2043 Attn: William E. Ryan, Esq.

2044 **if to the Developer:** Sears, Roebuck and Co.
2045 Sears Tower
2046 Chicago, Illinois 60684
2047 Attn: Senior Vice President
2048 Resources and Administration,
2049 Department 707

2050 **with copies to:** Sears, Roebuck and Co.
2051 Sears Tower
2052 Chicago, Illinois 60684
2053 Attn: General Counsel
2054 Merchandise Group
2055 Department 766

2056
2057
2058
2059
2060
2061
2062

2063 Tully & Weinstein
2064 77 West Washington Street
2065 Suite 1500
2066 Chicago, Illinois 60602
2067 Attn: Thomas Tully, Esq.
2068
2069

and

2070
2071 Rudnick & Wolfe
2072 203 North LaSalle Street
2073 Suite 1800
2074 Chicago, Illinois 60601
2075 Attn: J. Kevin Garvey, Esq.
2076 Harold W. Francke, Esq.
2077

2078 Either party's address may be changed from time to time by such
2079 party giving notice, as provided above, to the other party.
2080 Notices delivered personally shall be deemed given on receipt.
2081 Notices delivered by certified or registered mail shall be deemed
2082 given two (2) business days after the date of post-marking.

2083 **ARTICLE 12. MEMORANDUM OF AGREEMENT**

2084 Neither of the Parties shall record this Agreement, but each
2085 party agrees to execute and to deliver to the other party, when
2086 this Agreement is executed and delivered, multiple copies of a
2087 Memorandum of this Agreement in a form acceptable to their
2088 respective counsel. Either of the Parties, at its sole expense,
2089 may record such Memorandum in the Office of the Recorder of Deeds
2090 of Cook County, Illinois. Such Memorandum shall recite the
2091 covenants contained in Article 9 of this Agreement and such
2092 covenants shall run with the land and be binding upon the Developer
2093 and its agents, representatives, successors, assigns, tenants and
2094 transferees for so long as any Bonds are issued and outstanding.
2095 If and when the Bonds have been paid in full and redeemed (other
2096 than by a refunding), the covenants contained in Article 9 of this

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2097 Agreement shall become null and void and the Village shall issue a
2098 release of such covenants in recordable form and deliver such
2099 release to the Developer for recording in the Office of the Cook
2100 County Recorder of Deeds.

2101 **ARTICLE 13. PERMITTED DELAYS**

2102 Neither of the Parties shall be deemed to be in default
2103 hereunder in the performance of any obligation where delays or
2104 defaults in such performance are due to war, insurrection, strikes,
2105 lockouts, riots, floods, earthquakes, fires, casualties, acts of
2106 God, acts of the public enemy, epidemics, quarantine restrictions,
2107 freight embargoes and lack of transportation, or the inability to
2108 secure, or the revocation or suspension of, necessary governmental
2109 licenses, permits, authorizations and approvals or the failure of
2110 the other party to this Agreement to keep and perform the covenants
2111 and obligations on its part to be kept and performed. An extension
2112 of time for any such cause shall be for the period of the delay,
2113 which period shall commence to run from the time of the
2114 commencement of the cause, provided that written notice by the
2115 party claiming such extension is sent to the other party not more
2116 than twenty (20) days after the commencement of such cause.

2117 **ARTICLE 14. MORTGAGE HOLDERS**

2118 **14.1. Rights and Obligations**

2119 The holder of any mortgage, deed of trust or other security
2120 interest, the lessor under any ground lease, and the grantee under
2121 any other conveyance for financing, shall not be obligated by the
2122 provisions of this Agreement to construct or complete the

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2123 improvements which are contemplated by this Agreement or the
2124 Economic Development Plan or to guarantee such construction or
2125 completion, notwithstanding the collateral assignment of this
2126 Agreement to such party by the Developer. Nothing in this
2127 Agreement shall be deemed to permit or authorize any such holder,
2128 lessor or grantee to devote the Subject Property to any uses, or
2129 to construct any improvements thereon, other than those uses or
2130 improvements provided for or authorized by this Agreement or the
2131 Amendment to the Annexation Agreements, any such unauthorized use
2132 or improvements being expressly prohibited.

2133 **14.2. Notice/Assumption of Obligations**

2134 Whenever the Village shall deliver any notice or demand to the
2135 Developer with respect to any alleged breach or default by the
2136 Developer hereunder, the Village, at the same time, shall deliver
2137 to each holder of record of any mortgage, deed of trust or other
2138 security interest, and to the lessor of any ground lease and to the
2139 grantee under any other conveyance for financing, a copy of such
2140 notice or demand, provided the Village has been advised in writing
2141 by the Developer, or such holder, lessor, or grantee, of the name
2142 and address of any such holder, lessor or grantee. Each such
2143 holder, lessee or grantee (insofar as the rights of the Village are
2144 concerned) shall have the same right to cure or remedy, or to
2145 commence to cure or remedy, any such default, provided, however,
2146 that in the event of a default by the Developer hereunder which is
2147 not curable by such holder, lessor or grantee (e.g., insolvency or
2148 bankruptcy of the Developer), such holder, lessor or grantee shall

2149 be deemed to have cured such noncurable defaults by its execution
2150 of the assumption agreement contemplated in the later portions of
2151 this Section 14.2. Nothing contained in this Agreement shall be
2152 deemed to permit or authorize such holder, lessor or grantee to
2153 undertake or continue the construction or completion of the
2154 improvements contemplated by this Agreement (beyond the extent
2155 necessary to conserve or protect the improvements or construction
2156 already made) without first having expressly assumed the
2157 Developer's obligations (with respect to the portion of the Subject
2158 Property on which the holder, lessor or grantee has a security
2159 interest) to the Village by written agreement satisfactory to the
2160 Village. In such event, the holder, lessor or grantee shall agree
2161 to complete, in the manner provided in this Agreement, the
2162 improvements to which the security interest of such holder, lessor
2163 or grantee relates, and submit evidence satisfactory to the Village
2164 that it has the qualifications and financial responsibility
2165 necessary to perform such obligations. The assumption agreement
2166 shall provide that such holder, lessor or grantee shall only be
2167 deemed to have assumed the Developer's obligations for as long as
2168 they have a security interest in the Subject Property, and that the
2169 Village's sole and exclusive remedy for a breach of the assumption
2170 agreement is forfeiture of the equity interest of such holder,
2171 lessor or grantee in the Subject Property. No such assumption
2172 agreement shall relieve the Developer of any of its obligations
2173 under this Agreement. Any such holder, lessor or grantee properly
2174 completing such improvement shall be entitled, upon written request

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2175 made to the Village, to a certificate of occupancy from the Village
2176 with respect to such improvements. To the extent of a conflict,
2177 ambiguity or inconsistency between the provisions of this Section
2178 14.2 and the provisions of any underlying agreement between the
2179 Developer and a holder, lessor or grantee of any security interest
2180 in the Subject Property, the former shall control.

2181 **14.3. Village Right to Cure Defaults**

2182 In the event the Developer, or any entity acquiring title to
2183 the Subject Property, or any portion thereof, defaults in the
2184 construction or completion of construction of the improvements
2185 contemplated by the provisions of this Agreement, and such default
2186 is also a default under any mortgage, deed of trust, other security
2187 instrument or lease-back or obligation to the grantee under any
2188 other conveyance for financing, and the holder, lessor or grantee,
2189 as the case may be, elects not to exercise its option to cure such
2190 default, the Village may cure such default, or cause the same to be
2191 cured, prior to completion of any foreclosure, termination of lease
2192 or other remedial proceeding as a result of such default. In such
2193 event, the Village, or its nominee, shall be entitled to
2194 reimbursement from the Developer, or such other entity, of all
2195 reasonable costs and expenses incurred by the Village in curing the
2196 default (including reasonable attorney's fees). The Village shall
2197 also be entitled to a lien upon the Subject Property to the extent
2198 of such reasonable costs and expenses (including reasonable
2199 attorneys' fees). Any such lien shall be subject to the lien of
2200 the mortgages, deeds of trust and other security instruments, and

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2201 to the prior interests of a lessor under any lease-back or ground
2202 lease, executed for the purpose of obtaining funds to purchase or
2203 develop the Subject Property, to construct the improvements
2204 contemplated by this Agreement, to finance the costs of such
2205 construction or to pay the costs reasonably related to the
2206 Developer's performing its obligations under this Agreement.

2207 **ARTICLE 15. NO DISCRIMINATION-CONSTRUCTION**

2208 The Developer, in connection with the development of the
2209 Subject Property, shall not discriminate against any employee or
2210 applicant for employment because of race, color, religion, sex or
2211 national origin. The Developer shall take affirmative action to
2212 require that applicants are employed, and that employees are
2213 treated during employment, without regard to their race, color,
2214 religion, sex or national origin. Such action shall include, but
2215 not be limited to, the following: employment upgrading, demotion,
2216 or transfer; recruitment or recruitment advertising, solicitations
2217 or advertisements for employees; layoff or termination; rates of
2218 pay or other forms of compensation; and selection for training,
2219 including apprenticeship. The Developer agrees to post in
2220 conspicuous places, available to employees and applicants for
2221 employment, notices which may be provided by the Village setting
2222 forth the provisions of this non-discrimination clause.

2223 **ARTICLE 16. NO DISCRIMINATION-USE**

2224 The Developer shall not discriminate against any person, or
2225 group of persons, on account of sex, race, color, religion or
2226 national origin in the sale, lease, sublease, transfer, use,

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2227 occupancy, tenure or enjoyment of the Subject Property, nor shall
2228 the Developer establish or permit, or knowingly allow any person
2229 claiming under or through the Developer to establish or permit, any
2230 such practice or practices of discrimination with reference to the
2231 selection, location, number, use, or occupancy of tenants, lessees,
2232 subtenants, sublessees, or vendees of any portion of the Subject
2233 Property.

2234 **ARTICLE 17. REMEDIES-LIABILITY**

2235 **17.1. Developer Remedies**

2236 The sole remedies of the Developer in the event of a breach by
2237 the Village in any of the terms of this Agreement shall be: (i) to
2238 institute legal action for specific performance, mandamus or
2239 mandatory injunction against the Village (including the right to
2240 require the Village to make any payment required to be made by this
2241 Agreement and to issue Revenue Bonds); and (ii) to maintain an
2242 action at law for the Developer's actual (but not consequential or
2243 punitive) damages, provided, however, that such right to maintain
2244 an action for actual damages shall be limited to a Village default
2245 in the performance of one or more of the following Village
2246 obligations, which default results in a breach of the terms of this
2247 Agreement:

- 2248 (a) The obligation to issue Revenue Bonds, to the extent and
2249 when provided for by the provisions of this Agreement;
2250 (b) The obligation to make payments to the Developer or
2251 others on construction contracts which have been approved
2252 by the Board of Trustees pursuant to the provisions of

2253 this Agreement; and

2254 (c) The obligation to reimburse the Developer for Project
2255 Costs which the Developer has paid or incurred, to the
2256 extent and when provided for by the provisions of this
2257 Agreement.

2258 In the event the Developer obtains a final non-appealable judgment
2259 against the Village for either legal or equitable relief as
2260 provided above, as a result of a breach of this Agreement by the
2261 Village, the Developer shall be entitled to recover the reasonable
2262 attorneys fees and court costs it has incurred in securing such
2263 judgment.

2264 Notwithstanding the foregoing, the Developer shall have the
2265 right to terminate this Agreement at any time before it occupies
2266 any part of the SMG Home Office Complex upon paying the Village all
2267 costs, expenses, claims, liabilities and all fees including
2268 attorneys fees that the Village has incurred that relate directly
2269 to the creation of the Economic Development Project, the
2270 preparation and adoption of the Economic Development Plan and this
2271 Agreement, as more fully set forth in Article 20.

2272 17.2. Village Remedies

2273 The Village shall have all remedies at law or equity against
2274 the Developer for any breach by the Developer in any of the terms
2275 of this Agreement including the right to reasonable attorneys fees
2276 and court costs, subject to the Developer's right to terminate this
2277 Agreement as set forth in Section 17.1. Notwithstanding the
2278 foregoing, the Village shall not have the right to maintain an

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2279 action against the Developer for consequential or punitive damages.

2280 17.3. Defaults-Rights to Cure

2281 Subject to the extensions of time set forth in Article 13 of
2282 this Agreement, failure or delay by either party to perform any
2283 term or provision of this Agreement shall constitute a default
2284 under this Agreement. The party who so fails or delays must, upon
2285 receipt of written notice of the existence of such default,
2286 immediately commence to cure, correct or remedy such default and
2287 thereafter proceed with diligence to cure such default. The party
2288 claiming such default shall give written notice of the alleged
2289 default to the party alleged to be in default specifying the
2290 default complained of by the injured party. Except as required to
2291 protect against further damages, and except as otherwise expressly
2292 provided in this Agreement, the injured party may not institute
2293 proceedings against the party in default until thirty (30) days
2294 after giving such notice. If such default is cured within such
2295 thirty (30) day period, the default shall not be deemed to
2296 constitute a breach of this Agreement. If the default is one which
2297 cannot reasonably be cured within thirty (30) days, and if the
2298 defaulting party shall commence to cure the same within such thirty
2299 (30) day period, said thirty (30) day period shall be extended for
2300 such time as is reasonably necessary for the curing of the same, so
2301 long as the defaulting party diligently proceeds to cure such
2302 default. If such default is cured within such extended period, the
2303 default shall not be deemed to constitute a breach of this
2304 Agreement. However, a default not cured as provided above shall

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2305 constitute a breach of this Agreement. Except as otherwise
2306 expressly provided in this Agreement, any failure or delay by
2307 either party in asserting any of its rights or remedies as to any
2308 default or alleged default or breach shall not operate as a waiver
2309 of any such default or breach or any rights or remedies it may have
2310 as a result of such default or breach.

2311 **17.4. Acts and Omissions of Default**

2312 At the option of the Village, each of the following acts or
2313 omissions of the Developer shall constitute a default under this
2314 Agreement:

2315 (a) The Developer transfers, or suffers any involuntary
2316 transfer of, the Subject Property in violation of the
2317 terms of Article 18 of this Agreement;

2318 (b) The Developer files a petition seeking any debtor relief
2319 or executes any instrument for the purpose of effecting
2320 a composition of creditors;

2321 (c) The Developer makes an assignment for the benefit of
2322 creditors; or

2323 (d) The Developer is adjudicated as bankrupt.

2324 **17.5. Dispute Resolution**

2325 (a) If, at any time during the Term of this Agreement, the
2326 Parties do not agree on any of the following three
2327 issues:

2328 (i) Whether or not a given Project Cost which is
2329 to be paid or financed pursuant to the terms
2330 of this Agreement is "reasonable or necessary"

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2331 to the Economic Development Project;

2332 (ii) Whether a given Project Cost constitutes a

2333 Village Project Cost; or

2334 (iii) Whether the Parties have fulfilled their

2335 respective obligations under this Agreement

2336 relative to the issuance of Revenue Bonds;

2337 then, at the option of either the Village or the

2338 Developer, the Parties shall attempt to resolve such

2339 disagreement pursuant to the provisions of this Section

2340 17.5. If either the Village or the Developer seeks to

2341 exercise such option, notice of such election shall be

2342 given to the other party within thirty (30) days of the

2343 date it first becomes apparent to the Parties that such

2344 disagreement exists.

2345 (b) If, pursuant to the provisions of the foregoing paragraph

2346 (a), either of the Parties shall seek to resolve a

2347 disagreement that pertains to one of the issues described

2348 in said paragraph (a), such party shall select an expert,

2349 at such party's cost, who shall have the responsibility

2350 to consider the issue in dispute and render an opinion,

2351 within twenty-one (21) days, relative to the resolution

2352 of such disagreement. If, following the receipt of such

2353 opinion, the other party wishes to retain its own expert,

2354 such other party shall have the right to do so, at such

2355 party's cost, and, in such event, such expert shall also

2356 proceed to consider the issue in dispute and render an

2357 opinion, within twenty-one (21) days, relative to the
2358 resolution of such disagreement. If, after receipt of
2359 the foregoing opinions, the Parties are still unable to
2360 resolve their disagreement, the Parties' respective
2361 experts shall jointly designate a third expert, at a cost
2362 to be shared equally by the Parties, who shall have the
2363 responsibility to consider the issue in dispute and
2364 render such expert's opinion, within twenty-one (21)
2365 days, relative to the resolution of such disagreement.
2366 None of the opinions rendered by any of the foregoing
2367 experts shall be binding on the Parties unless both
2368 Parties agree otherwise.

2369 (c) Either of the Parties shall have the right, after
2370 completing the procedure provided for in paragraph (b)
2371 above, to seek the resolution of a disagreement in a
2372 trial de novo before the Circuit Court of Cook County.
2373 No damages (actual, consequential or punitive) shall be
2374 claimed by either of the Parties during the period the
2375 Parties are attempting to resolve, or as a result of the
2376 Parties' attempt to resolve, a disagreement pursuant to
2377 the provisions of the foregoing paragraph (b).

2378 **17.6. Right to Continue Construction Activities**

2379 The Parties acknowledge that one of the primary objectives of
2380 this Agreement is the Developer's timely completion of the SMG Home
2381 Office Complex. Accordingly, the Village shall not take any action
2382 to delay, hinder or prevent the construction of the SMG Home Office

2383 Complex, or the construction of any of the Public Site
2384 Improvements, notwithstanding any actual or alleged breach or
2385 default by the Developer in any of the obligations imposed on the
2386 Developer by the terms of this Agreement that relate to the payment
2387 or financing of Project Costs, and notwithstanding the pendency of
2388 any dispute resolution or court proceeding under Section 17.5
2389 hereof. The foregoing shall not preclude the Village from taking
2390 any action against the Developer in the event of a violation of any
2391 law, ordinance or regulation or the exercise of the Village's
2392 police powers in the public interest.

2393 ARTICLE 18. ASSIGNMENT OF DEVELOPER RIGHTS AND
2394 OBLIGATIONS/CONVEYANCES OF THE SUBJECT PROPERTY

2395 18.1. Assignment of Developer Rights and Obligations

2396 The rights and obligations of the Developer under this
2397 Agreement shall not be assigned except as provided by this Section
2398 18.1.

2399 (a) The term "Developer", as used in this Section 18.1, shall
2400 mean only:

2401 (i) Sears, Roebuck and Co., a New York
2402 corporation;

2403 (ii) Any entity which is a parent, controlling
2404 shareholder (i.e. owning fifty-one percent
2405 (51%) or more of the capital stock), or fifty-
2406 one percent (51%) or more owned subsidiary of
2407 Sears, Roebuck and Co.;

2408 (iii) Any entity which is owned, to the extent of at
2409 least a fifty-one percent (51%) controlling

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2410 interest, by Sears, Roebuck and Co. or an
2411 entity described in the foregoing paragraph
2412 (ii); and

2413 (iv) Any entity to whom the Developer has conveyed
2414 a portion of the Subject Property consisting
2415 of one hundred (100) acres or more and
2416 assigned its rights under this Agreement
2417 pursuant to Section 18.2.

2418 (b) Except as provided in paragraph (c) of this Section 18.1,
2419 all rights of the Developer established by the terms of
2420 this Agreement shall inure solely to the benefit of the
2421 Developer and shall not be subject to assignment by the
2422 Developer and, specifically but without limitation, the
2423 Village shall not be required to issue Revenue Bonds in
2424 order to satisfy and pay for Project Costs except for the
2425 Developer.

2426 (c) The following rights established by the terms of this
2427 Agreement shall inure to the benefit of: (i) the
2428 Developer; and (ii) any assignee of such rights acquiring
2429 an ownership interest in the Subject Property pursuant to
2430 a sale or conveyance of a portion of the Subject Property
2431 (or pursuant to an assignment of an interest in a
2432 corporation, partnership or land trust) that does not
2433 violate Section 18.2 of this Agreement:

2434 (i) The right to have costs incurred in
2435 furtherance of the Economic Development Plan

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2436 and the Development deemed Project Costs (to
2437 the fullest extent permitted by law) and,
2438 subject to the rights of holders of any
2439 Obligations and subject to the provisions of
2440 paragraph (b) above, to have such Project
2441 Costs paid for, financed or reimbursed
2442 pursuant to Article 6 of this Agreement;
2443 (ii) The right to challenge real estate taxes (as
2444 provided in Section 9.2 of this Agreement);
2445 (iii) The right to develop the Subject Property
2446 without regard to then existing Village
2447 donation requirements (as provided in Section
2448 10.6 of this Agreement);
2449 (iv) The right to maintain an action against the
2450 Village and to only recover reasonable
2451 attorneys fees and court costs from the
2452 Village in the event of a Village default
2453 under the provisions of this Agreement (as
2454 provided in Section 17.1 of this Agreement);
2455 and
2456 (v) The right to sell, convey, mortgage, lease and
2457 otherwise transfer interests in and to the
2458 Subject Property (subject to the limitations
2459 of, and as provided for in, Section 18.2 of
2460 this Agreement).
2461 (d) Except as provided in paragraph (e) of this Section 18.1,

2462 all obligations, including Developer's indemnification
2463 obligations under Article 20 of this Agreement, of the
2464 Developer established by the terms of this Agreement
2465 shall be solely the obligations of the Developer.

2466 (e) With respect to the development of the various portions
2467 of the Subject Property, the following obligations shall
2468 be the obligations of the party or entity undertaking
2469 such development or causing such development to be
2470 undertaken:

2471 (i) The obligation to devote such portion of the
2472 Subject Property as is being developed to only
2473 the uses specified in the Economic Development
2474 Plan (as provided in Section 3.4 of this
2475 Agreement);

2476 (ii) The obligation to procure and maintain
2477 insurance covering construction on such
2478 portion of the Subject Property (as provided
2479 in Section 3.5 of this Agreement);

2480 (iii) The obligation to submit plats and plans, and
2481 to undertake construction, in accordance with
2482 the codes and ordinances of the Village (as
2483 provided in Section 3.6 of this Agreement);

2484 (iv) The obligation to refrain from protesting real
2485 estate taxes or assessed valuations of the
2486 Subject Property (as provided in Section 9.1
2487 of this Agreement);

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2488 (v) The obligation to grant and provide
2489 dedications, easements and rights of way
2490 necessary to the development of such portion
2491 of the Subject Property (as provided in
2492 Article 19 of this Agreement); and
2493 (vi) The obligation to indemnify the Village
2494 against costs and expenses incurred by the
2495 Village as a result of construction activities
2496 on such portion of the Subject Property and as
2497 a result of the negligence of general
2498 contractors, subcontractors and their
2499 respective employees (as provided in Article
2500 20 of this Agreement).

2501 18.2. Conveyances of the Subject Property

2502 The Developer shall have the right to sell, convey, mortgage,
2503 lease and otherwise transfer interests in and to the Subject
2504 Property without limitation and without the approval of the Village
2505 provided, however, that:

2506 (a) The Developer shall not sell or transfer any interest in
2507 and to that portion of the Phase I Site on which the SMG
2508 Home Office Complex is to be constructed until issuance
2509 by the Village of the first occupancy permit for the SMG
2510 Home Office Complex and until after the Developer's
2511 Merchandise Group, or another entity, division or group
2512 controlled or owned by Developer, shall have occupied the
2513 SMG Home Office Complex for at least ten (10) years

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2514 following the SMG Occupancy Date; and

2515 (b) If:

2516 (1) The Developer seeks to sell, transfer or convey any

2517 portion of the Subject Property consisting of one

2518 hundred (100) acres or more; and

2519 (2) The Developer seeks to be relieved of liability

2520 under this Agreement with respect to such portion

2521 of the Subject Property; and

2522 (3) Bonds are outstanding;

2523 then the Village shall have the right to require that any

2524 purchaser/grantee of such portion of the Subject Property

2525 satisfy the following conditions and meet the following

2526 standards:

2527 (i) Any such purchaser/grantee shall have the

2528 experience and financial responsibility

2529 necessary to fulfill the Developer's

2530 obligations under this Agreement (to the

2531 extent applicable to such portion of the

2532 Subject Property);

2533 (ii) Any such purchaser/grantee shall have expressly

2534 assumed, in writing, the Developer's

2535 obligations under this Agreement (to the

2536 extent applicable to such portion of the

2537 Subject Property);

2538 (iii) All instruments confirming the matters

2539 specified in the foregoing paragraphs (i) and

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2540 (ii) Shall be submitted to the Village for
2541 review and approval (which approval shall not
2542 be unreasonably withheld or delayed).

2543 Upon the occurrence of a sale or conveyance that satisfies the
2544 foregoing conditions and meets the foregoing standards, the
2545 Developer shall be relieved of all liability under this Agreement
2546 (to the extent applicable to such portion of the Subject Property).
2547 No conveyance of a portion of the Subject Property consisting of
2548 one hundred (100) acres or more that fails to satisfy the foregoing
2549 conditions or meet the foregoing conditions, shall be deemed to
2550 relieve the Developer of any of its obligations under this
2551 Agreement with respect to such portion of the Subject Property.

2552 The provisions of this Section 18.2 are intended to be
2553 applicable to a sale and assignment of a beneficial interest in a
2554 land trust, a sale and assignment of partnership interests, a sale
2555 and transfer of capital stock in a corporation, and other
2556 comparable transactions which would effectively frustrate the
2557 spirit and intent of these provisions. However, the provisions of
2558 this Section 18.2 are not intended to preclude or be applicable to,
2559 and such provisions shall not preclude or be applicable to, the
2560 financing, refinancing, sale-leaseback or leasing of any portion of
2561 the Subject Property by the Developer; the sale or transfer of any
2562 interest in and to the Subject Property to an entity controlled or
2563 owned by the Developer; or an assignment of a beneficial interest
2564 in a land trust to, the assignment of partnership interests to, or
2565 the transfer of capital stock in a corporation to an entity

2566 controlled or owned by the Developer. Any entity in which the
2567 Developer holds more than a fifty percent (50%) interest shall be
2568 considered to be controlled or owned by the Developer for purposes
2569 of this Section 18.2.

2570 18.3. The terms and provisions of this Agreement shall be
2571 binding upon and inure to the benefit of the Corporate Authorities
2572 (including successor Corporate Authorities).

2573 ARTICLE 19. DEDICATIONS AND EASEMENTS

2574 The Developer, at no cost to the Village, shall grant and
2575 provide all reasonable street dedications and permanent and
2576 temporary easements and rights-of-way reasonably requested by the
2577 Village in connection with the Development, including, but not
2578 limited to, easements and rights-of-way for vehicular access,
2579 pedestrian access, parking facilities, sanitary sewers, storm
2580 drains, water lines, street lighting, and electrical power,
2581 telephone, cable TV and natural gas lines.

2582 ARTICLE 20. DEVELOPER INDEMNIFICATION

2583 (a) The Developer shall indemnify and hold harmless the
2584 Village, its agents, officers and employees, against all
2585 injuries, deaths, losses, damages, claims, suits,
2586 liabilities (including any liability under the Illinois
2587 Structural Work Act, known as the Scaffolding Act),
2588 judgments, costs and any reasonable expenses of
2589 consultants, lawyers and other reasonable expenses of any
2590 type, except Village Project Costs, that are directly or
2591 indirectly related to the creation of the Economic

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2592 Development Project, the preparation or adoption of the
2593 Economic Development Plan and this Agreement, including,
2594 but not limited to any breach of the terms of this
2595 Agreement by the Developer; the sale and use of any Bonds
2596 pursuant to this Agreement (other than General Obligation
2597 Bonds and other Village Obligations secured solely by the
2598 Village's portion of the Allocated Tax Increment Revenue
2599 Amounts); the Developer's improvement of the Subject
2600 Property and construction of the Development, and from
2601 any negligence or reckless misconduct of the Developer,
2602 its general contractor or its employees and agents, or of
2603 a subcontractor of the general contractor or his
2604 employees, if any, in connection therewith, and the
2605 Developer shall, at its own expense, appear, defend and
2606 pay all charges of attorneys and costs and other expenses
2607 arising therefrom or incurred in connection with any
2608 claim for which the Developer is responsible hereunder,
2609 and, if any judgment shall be rendered against the
2610 Village, its agents, officials or employees in any such
2611 action involving any claim for which the Developer is
2612 responsible hereunder, the Developer shall, at its own
2613 expense, satisfy and discharge the same. The Developer
2614 expressly understands and agrees that the insurance
2615 protection required by Section 3.5 of this Agreement
2616 shall in no way limit the responsibility to indemnify,
2617 hold harmless and defend as herein provided in this

2618 Article 20, but to the extent a particular claim, action
2619 or liability is covered by such insurance, the Developer
2620 shall be released of liability hereunder.

2621 (b) The indemnification obligations of the Developer
2622 contained in the foregoing paragraph (a) shall not extend
2623 to injuries, deaths, losses, damages, claims, suits,
2624 liabilities, judgments, costs and expenses incurred as a
2625 result of or arising out of: (i) the negligence or
2626 reckless misconduct of the Village, its officers, agents,
2627 employees and contractors; (ii) obligations which the
2628 Village has agreed to pay or incur pursuant to the
2629 provisions of this Agreement; (iii) the Village's breach
2630 in any of the terms of this Agreement; (iv) the Village's
2631 construction of the Public Works and Improvements and the
2632 Sanitary Sewer Improvements; and (iv) the Village's
2633 improvement and use of the Village Municipal Site.

2634 **ARTICLE 21. AMENDMENT/INTEGRATION**

2635 This Agreement, and any exhibits attached hereto, may be
2636 amended only by the mutual consent of the Parties with, on the part
2637 of the Village, the adoption of an ordinance or resolution of the
2638 Board of Trustees approving said amendment, as provided by law, and
2639 by the execution of said amendment by the Parties or their
2640 successors in interest. The Amendment to the Annexation Agreements
2641 and this Agreement, when both are fully executed by the Parties,
2642 shall constitute the entire understanding and agreement of the
2643 Parties relative to the subject matter hereof superseding all prior

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2644 agreements, negotiations and discussions relative to such subject
2645 matter. All exhibits to this Agreement are expressly incorporated
2646 herein by this reference thereto.

2647 **ARTICLE 22. DUPLICATE ORIGINALS**

2648 This Agreement is executed in four (4) duplicate originals,
2649 each of which is deemed to be an original.

2650 **ARTICLE 23. TIME IS OF THE ESSENCE**

2651 Time is of the essence of this Agreement.

2652 **ARTICLE 24. TERM**

2653 This Agreement shall remain in full force and effect until
2654 termination of the Project Area and the Economic Development Plan
2655 or until otherwise terminated pursuant to the terms hereof.

2656 **ARTICLE 25. INTERPRETATION**

2657 The laws of the State of Illinois shall govern the
2658 interpretation and enforcement of the terms and provisions of this
2659 Agreement.

2660 **ARTICLE 26. SEVERABILITY.**

2661 In the event any phrase, paragraph, article or portion of this
2662 Agreement is found to be invalid, illegal or unenforceable by any
2663 court of competent jurisdiction, such finding of invalidity,
2664 illegality or unenforceability as to that phrase, paragraph,
2665 article or portion shall not affect the validity, legality or
2666 enforceability of the remaining portions of this Agreement.

2667 **ARTICLE 27. CAPTIONS AND PRONOUNS.**

2668 The captions and headings of the various articles and sections
2669 of this Agreement are for convenience only, and are not to be

2670 construed as confining, defining, expanding or limiting in any way
2671 the scope or intent of the provisions hereof. Whenever the context
2672 requires or permits, the singular shall include the plural, the
2673 plural shall include the singular, and the masculine, feminine and
2674 neuter shall be freely interchangeable.
2675

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2676 IN WITNESS WHEREOF this Agreement has been duly authorized and
2677 approved by the President and Board of Trustees of the Village of
2678 Hoffman Estates, Cook and Kane Counties, Illinois, and executed by
2679 the Parties as of the day and year first above set forth.

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ATTEST:

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By: Virginia Mary Hayter
Its: Village Clerk
(Seal)

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ATTEST:

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By: DJ Jeruc
Its: Assistant Secretary
(Seal)

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VILLAGE:

VILLAGE OF HOFFMAN ESTATES, an
Illinois home rule municipal
corporation

By: Michael J. O'Malley
Its: Village President

DEVELOPER:

SEARS, ROEBUCK AND CO., A New
York corporation

By: Michael L. Bojce
Its: Chairman and Chief
Executive Officer
Merchandise Group

APPROVED: D

LIST OF EXHIBITS

EXHIBIT A	Summary of Acquisition Contracts
EXHIBIT B	Phase I - Allocated Tax Increment Revenue Amounts
EXHIBIT C	Phase II - Allocated Tax Increment Revenue Amounts
EXHIBIT D	Legal Description of the Phase I Site
EXHIBIT E	Legal Description of the Phase II Site
EXHIBIT F	Legal Description of the Hoffman Estates Economic Development Project Area
EXHIBIT G	Depiction of the Hoffman Estates Economic Development Project Area
EXHIBIT H	Phase I Development Public Site Improvements
EXHIBIT I	Phase II Development Public Site Improvements
EXHIBIT J	Public Works and Improvements
EXHIBIT K	General Depiction of Portion of Phase I Site to Contain SMG Home Office Complex
EXHIBIT L	SMG Occupancy Date Notice
EXHIBIT M	Legal Description of Subject Property
EXHIBIT N	Contracts in Existence or To Be Let by the Developer
EXHIBIT O	Property Assembly Costs Paid, Incurred, or Known by the Developer as of the Date of this Agreement
EXHIBIT P	Project Costs Paid or Incurred by the Developer as of the Date of this Agreement in Connection with Construction of the Public Site Improvements

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EXHIBIT A

SUMMARY OF ACQUISITION CONTRACTS

1. **Origer Property** - Two (2) Contracts - Approximately 520 acres

I. Date of Contracts: June 23, 1989

II. Owners:

1. Approximately 360 acres are owned by two (2) land trusts having as beneficiary The Thomas J. Origer Inter-Vivos Trust;
2. Approximately 160 acres are owned by two (2) land trusts with beneficial owners being the children of Thomas J. Origer (seven individuals).

III. Purchase Price:

1. \$ * per square foot;
2. \$ * (in the aggregate)

IV. Closing Date: The thirtieth (30th) day following the earlier to occur of: (i) satisfaction of zoning contingency; and (ii) June 23, 1990. If extended the Closing Date shall be no later than October 24, 1990.

B. **Nederlander Property** - Two (2) Contracts - Approximately 221 acres

I. Date of Contracts: June 24, 1989.

II. Owner: LaSalle National Bank Trust No. 54757 having as beneficiary Ned-Prop, an Illinois joint venture.

III. Purchase Price:

1. \$ * per square foot;
2. \$ * (in the aggregate)

IV. Closing Date: The thirtieth (30th) day following the earlier to occur of: (i) satisfaction of zoning contingency; and (ii) June 25, 1990. If extended the Closing Date shall be no later than September 24, 1990.

V. Leaseback: Poplar Creek Music Theatre is to be leased to the Seller at closing for an initial period (with renewal rights provided it does not interfere with Sears' development) for a rent of \$1.00 per year.

* Document on file. Confidentiality protected by Chapter 116, Section 207(s) of the Illinois Revised Statutes.

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C. Studz Property - Approximately 40 acres

- I. Date of Contract: June 25, 1989
- II. Owner: Charter Bank and Trust Company Trust No. 769 having as beneficiary Ruth Studz
- III. Purchase Price:
 1. \$ * per square foot (based on 40 acres);
 2. \$ * (in the aggregate)
- IV. Closing Date: the thirtieth (30th) day following the earlier to occur of: (i) satisfaction of zoning and annexation contingency; and (ii) June 25, 1990. If extended the Closing Date shall be no later than October 24, 1990.

D. "Watson" Property - Approximately 7 acres

- I. Date of Contract: June 26, 1989
- II. Owner: Sutton Road Partnership, an Illinois general partnership (Contract Buyer)
- III. Purchase Price:
 1. \$ * per square foot
 2. \$ * in the aggregate
- IV. Closing Date: Property was acquired on September 7, 1989.

E. Totals:

Acreage: Approximately 788 acres

Purchase Price: Approximately \$ * or \$ * per square foot

* Document on file. Confidentiality protected by Chapter 116, Section 207(s) of the Illinois Revised Statutes.

EXHIBIT B

PHASE I
ALLOCATED TAX INCREMENT REVENUE AMOUNTS

<u>YEAR</u>	<u>COLUMN 1</u> Total Amount of Phase I Tax Increment Revenues which are to be Received and Deposited in Fund for Benefit of Village and Other Taxing Districts	<u>COLUMN 2</u> Portions of Column 1 Amounts which are Subject to Disbursement to the Village
1st Year of Payment	\$2,000,000	\$1,500,000
2nd	2,100,000	1,575,000
3rd	2,205,000	1,653,750
4th	2,315,250	1,736,438
5th	2,431,013	1,823,260
6th	3,000,000	2,250,000
7th	3,150,000	2,362,500
8th	3,307,500	2,480,625
9th	3,472,875	2,604,656
10th	3,646,519	2,734,889
11th	3,828,845	2,871,634
12th	4,020,287	3,015,215
13th	4,221,301	3,165,976
14th	4,432,366	3,324,275
15th	4,653,985	3,490,488
16th	4,886,684	3,665,013
17th	5,131,018	3,848,264
18th	5,387,569	4,040,677
19th	5,656,947	4,242,711
20th	5,939,795	4,454,846

EXHIBIT C

PHASE II
ALLOCATED TAX INCREMENT REVENUE AMOUNTS

<u>YEAR</u>	<u>PERCENTAGE OF PHASE II TAX INCREMENT REVENUES WHICH ARE TO BE PAID TO TAXING DISTRICTS</u>
1st year of payment	15
2nd	15
3rd	15
4th	15
5th	15
6th	20
7th	20
8th	20
9th	20
10th	20
11th	25
12th	25
13th	25
14th	25
15th	25
16th	30
17th	30
18th	30
19th	30
20th	30

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EXHIBIT D

LEGAL DESCRIPTION OF THE PHASE I SITE

That part of the Northeast 1/4 of Section 31, and that part of the Northwest 1/4 of Section 32, all in Township 42 North, Range 9 East of the Third Principal Meridian, more particularly described as follows:

Commencing at the Southwest corner of the Northwest 1/4 of said Section 32, thence Westerly along the Southline of the Northeast 1/4 of said Section 31, North 89 degrees 42 minutes 57 seconds West, a distance of 1,320.70 feet to a point on the West line of the East 1/2 of the Northeast 1/4 of said Section 31, said point being the point of beginning; thence Northerly along said West line, North 00 degrees 25 minutes 04 seconds East, a distance of 2,432.03 feet to a point on the Southwesterly line of Higgins Road (Route 72) as recorded per documents: No. 12079013, recorded November 8, 1937, No. 12284905, recorded March 20, 1939, No. 12309896, recorded May 10, 1939, and No. 12647599, recorded March 27, 1941, the following three courses:

- (1) A distance of 189.90 feet along an arc of a circle, convex to the Southwest, having a radius of 10,257.06 feet, and whose chord of 189.90 feet bears South 82 degrees 59 minutes 46 seconds East;
- (2) South 83 degrees 31 minutes 35 seconds East, a distance of 2,317.28 feet;
- (3) A distance of 1,239.98 feet along an arc of a circle, convex to the Northeast, having a radius of 9,965.07 feet, and whose chord of 1,239.18 feet bears South 79 degrees 57 minutes 42 seconds East;

Thence South 13 degrees 53 minutes 26 seconds West, 29.15 feet; thence Southerly along a curve tangent to the last described course, concave Easterly having a radius of 1,550.00 feet, an arc distance of 582.50 feet, and whose chord bears South 03 degrees 07 minutes 28 seconds West, a distance of 579.08 feet; thence South 07 degrees 38 minutes 30 seconds East, tangent to the last described course, a distance of 150.00 feet; thence Southwesterly along a curve concave Northwesterly having a radius of 1,350.00 feet, an arc distance of 2,402.00 feet, and whose chord bears South 43 degrees 19 minutes 50 seconds West, a distance of 2,097.46 feet; thence North 85 degrees 41 minutes 51 seconds West, tangent to the last described course, a distance of 150.00 feet; thence Northwesterly along a curve concave Northeasterly having a radius of 3,450.00 feet, an arc distance of 539.63 feet, and whose chord bears North 81 degrees 12 minutes 59 seconds West, a distance of 539.08 feet; thence North 76 degrees 44 minutes 08 seconds West, tangent to the last described course, a distance of 170.49 feet; thence Northwest-erly along a curve concave Southwesterly having a radius of 3,550.00 feet, an arc distance of 789.05 feet and whose chord bears North 83 degrees 06 minutes 11 seconds West, a distance of 787.43 feet; thence North 89 degrees 28 minutes 15 seconds West, a distance of 642.09 feet to a point on the West line of the East 1/2 of the Northeast 1/4 of aforementioned Section 31; thence Northerly along said West line, North 00 degrees 31 minutes 45 seconds East a distance of 116.16 feet to the point of beginning all in Cook County, Illinois. Containing 8,762,404 square feet (201.157 acres) of land, more or less.

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EXHIBIT E

LEGAL DESCRIPTION OF THE PHASE II SITE

The Phase II Site is legally described as that certain real property legally described on Exhibit M as the Subject Property excepting therefrom that certain real property legally described on Exhibit D as the Phase I Site.

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EXHIBIT F

LEGAL DESCRIPTION OF THE HOFFMAN ESTATES
ECONOMIC DEVELOPMENT PROJECT AREA

That part of the East 1/2 of the East 1/2 of Section 31, lying South of the Northerly line of Higgins Road (S.R. 72) and North of the Southerly line of Section 31, and excluding property owned by the Northwest Tollroad; also that part of Section 32, lying South of the Northerly line of Higgins Road; North of the Southerly line of the Section 32 and excepting those portions of right-of-way (100' wide) belonging to E. J. & E. Railway (except the southerly 300' within the Northeast 1/4 of Section 32); and excluding property owned by the Northwest Tollway; also that part of the Southwest 1/4 of the Northwest 1/4 and the West 1/2 of the Southwest 1/4 of Section 33 lying south of the Northerly line of Higgins Road and North of the Southerly line of Section 33 except that portion of property owned by the Northwest Tollway; also the entire right-of-way of Beverly Road from the Northerly Line of Higgins Road to the Southerly Line of Section 31; also, that part of the east 1/2 of the Southwest 1/4 of Section 33 along with the Southeast 1/4 of the Northwest 1/4 of Section 33 lying south of the southerly line of Higgins Road right-of-way, except that portion of property owned by the Northwest Tollway, all of the above being in Township 42 North, Range 9, West of the Third Principal Meridian, in Cook County, Illinois. Also, that part of Section 4 lying Easterly of the Easterly right of way line of the Elgin, Joliet and Eastern Railroad Company and North of the Northerly Line of the Northern Illinois State Toll Highway Commission right of way, and that part of the West half of the West Half of Section 3, Township 41, North, Range 9, East of the Third Principal Meridian, lying North of the Northerly line of the Northern Illinois State Toll Highway Commission right of way, in Cook County, Illinois, and that part of the East half of the West half of fractional Section 3, lying North of the Northerly right of way line of the Northern Illinois State Toll Highway, excepting therefrom that part thereof conveyed to the Northern Illinois State Toll Highway Commission by instrument recorded May 13, 1957, as document 16902251 in Township 41 North, Range 9, East of the Third Principal Meridian, in Cook County, Illinois, and also except the following described parcels located in Township 42 North, Range 9, West of the Third Principal Meridian in Cook County, Illinois.

That part of the South 20.04 chains of the East 1/2 of the Southwest 1/4 of Section 33 lying South and East of the Northwesterly line of property owned by the Northwest Tollroad (Interstate 90) and lying south and East of New Sutton Road (S.R. 59);

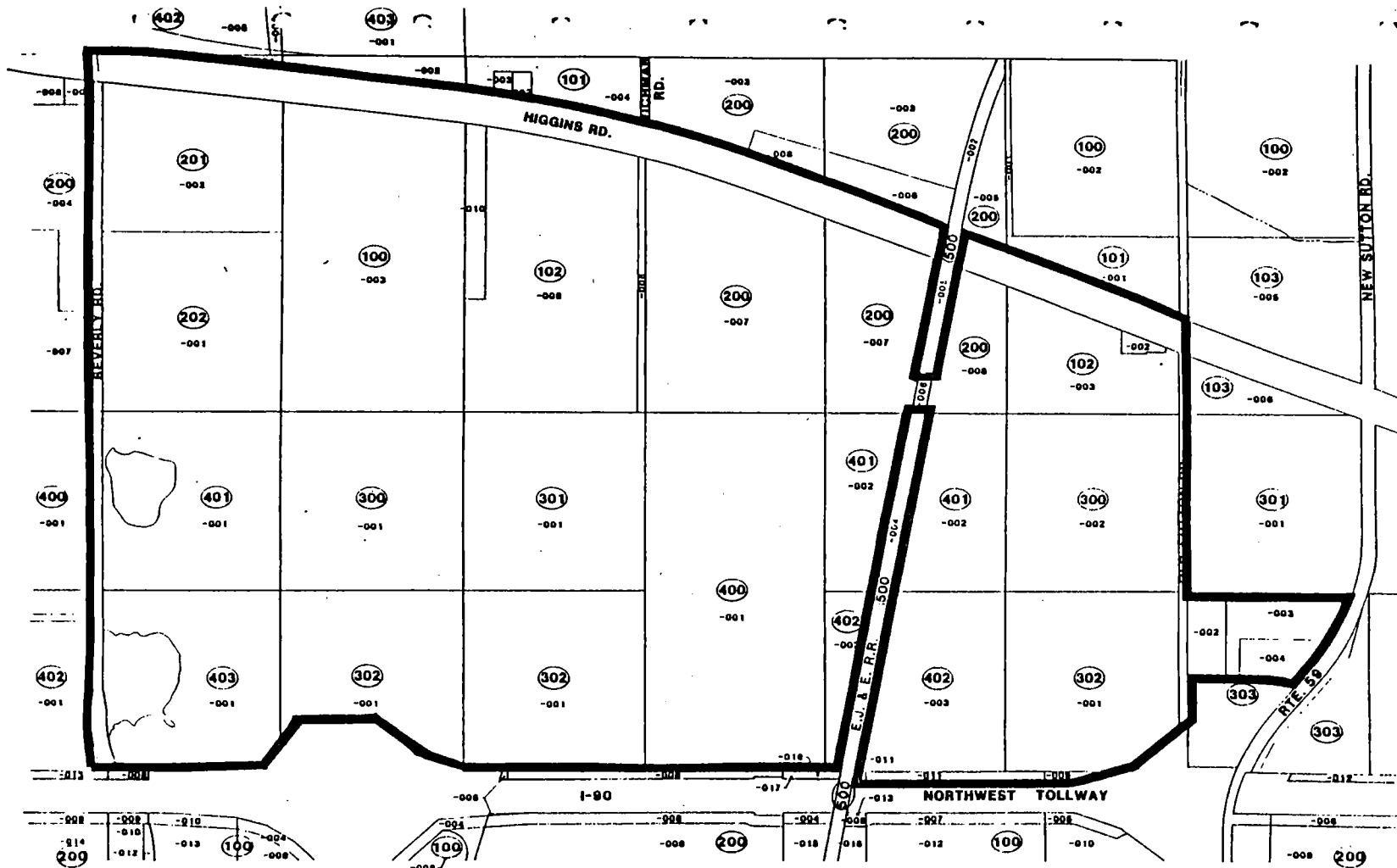
Also that part of the Northeast 1/4 of the Southwest 1/4 of Section 33 lying West of the Westerly line of the New Sutton Road (S.R. 59) Right of Way;

Also that part of the Southeast 1/4 of the Northwest 1/4 of Section 33 lying South of the Southerly line of the Higgins Road (S.R. 72) Right of Way.

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EXHIBIT G

DEPICTION OF THE HOFFMAN ESTATES ECONOMIC
DEVELOPMENT PROJECT AREA



**ECONOMIC DEVELOPMENT PROJECT BOUNDARY
HOFFMAN ESTATES
ECONOMIC DEVELOPMENT AREA**

VILLAGE OF HOFFMAN ESTATES

TESKA
ASSOCIATES
INC.



EXHIBIT H

PHASE I DEVELOPMENT PUBLIC SITE IMPROVEMENTS

The following is a description of the Phase I Development Public Site Improvements, as that term is used in the Agreement. The Phase I Development Public Site Improvements consist of those public streets, public utilities and other public site improvements which are constructed, or to be constructed, by, or under the direction of, the Developer, and all activities which are undertaken in connection with such construction: (i) within the Phase I Site; or (ii) outside the boundaries of the Phase I Site but within the Project Area and in connection with, or in furtherance of, the use, occupancy, and development of the Phase I Site; or (iii) outside the boundaries of the Project Area (to the extent such public streets, public utilities and public improvements are essential to the preparation of the Project Area in accordance with the Economic Development Plan). Natural gas, electric and telephone service shall not be included within the definition of "public utilities", as used above, except to the extent that they relate to natural gas, electric and telephone service improvements which are to be dedicated to, and owned by, the Village (e.g. public street lights).

The Phase I Site encompasses that portion of the Subject Property consisting of approximately two hundred (200) acres, which is located in the northwest corner of the Subject Property.

Specifically, the Phase I Development Public Site Improvements consist of the following:

A. DEMOLITION

Demolition and removal of existing structures within the Phase I Site and removal of all waste piles, underground storage tanks, if any, and similar conditions.

B. EARTHWORK

Earth-moving and grading within the Project Area to prepare for the construction and installation of the Phase I Development Public Site Improvements and construction of necessary storm water management improvements.

C. WETLANDS MITIGATION

Processing of necessary wetlands regulatory applications, satisfaction of all wetlands regulatory requirements, wetlands protection, and engineering and implementation of wetlands mitigation plans for the Subject Property.

D. SANITARY SEWER

Construction of necessary sanitary sewer mains and lines; lifts station and appurtenances; and acquisition of the easements and rights-of-way necessary to such construction. These improvements include, without limitation, essential trunk sewer mains from existing Metropolitan Water

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Reclamation District lines to the Project Area; sewer mains and lines through the Phase II Site and to the Phase I Site; and arterial sewer lines, and feeder lines from arterial sewer lines to structures, as required throughout the Phase I Site.

E. **WATER MAINS**

Construction of necessary potable water mains and lines and appurtenant facilities, and acquisition of the easements and rights-of-way necessary to such construction. This includes the construction of trunk mains located outside the Project Area that connect the Project Area to existing Village or Joint Area Water Association (JAWA) water mains; and the construction of arterial water lines through the Phase II Site, as necessary to connect the Subject Property to the existing municipal water system.

F. **ROADWAYS**

Construction of necessary roadways and ancillary roadway improvements and acquisition of the easements and right-of-ways necessary to such construction. These roadways and ancillary roadway improvements shall include the following (or their equivalents):

- (a) *
- (b) *
- (c) *
- (d) *

Construction of each of the foregoing roadway improvements may include, but shall not be limited to: (i) levelling and grading of earth; (ii) preparation of roadbed; (iii) paving; (iv) construction of curbs, sidewalks and gutters; (v) landscaping of medians and shoulders; (vi) installation of storm sewers; (vii) installation of street lighting; and (viii) installation of traffic signals.

G. **PIPELINE RELOCATION**

Relocation of existing pipeline(s) so as to permit construction of infrastructure and structures.

H. **INDIRECT COSTS**

Permit costs and fees related to the construction of all Phase I Development Public Site Improvements.

* Document on file. Confidentiality protected by Chapter 116, Section 207(s) of the Illinois Revised Statutes.

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EXHIBIT I

PHASE II DEVELOPMENT PUBLIC SITE IMPROVEMENTS

The following is a description of the Phase II Development Public Site Improvements, as that term is used in the Agreement. The Phase II Development Public Site Improvements consist of those public streets, public utilities and other public site improvements which are constructed, or to be constructed, by, or under the direction of, either the Village or the Developer, and all activities which are undertaken in connection with such construction: (i) within the Phase II Site; or (ii) outside the boundaries of the Phase II Site but within the Project Area and in connection with, or in furtherance of, the use, occupancy, and development of the Phase II Site; or (iii) outside the boundaries of the Project Area (to the extent such public streets, public utilities and public improvements are essential to the preparation of the Project Area for use in accordance with the Economic Development Plan). Natural gas, electric and telephone service shall not be included within the definition of "public utilities", as used above, except to the extent that they relate to natural gas, electric and telephone service improvements which are to be dedicated to, and owned by, the Village (e.g. public street lights).

The Phase II Site consists of the Subject Property, exclusive of the Phase I Site. The Phase II Site consists of approximately five hundred eighty-eight (588) acres and includes the PCMT Property.

Specifically, the Phase II Development Public Site Improvements consist of the following:

A. DEMOLITION

Demolition and removal of the remaining structures within the Project Area.

B. EARTHWORK

Earth-moving and grading within the Project Area to prepare for the construction and installation of the Phase II Development Public Site Improvements and construction of necessary storm water management improvements.

C. SANITARY SEWER

Construction of necessary sanitary sewer mains and lines, lift station and appurtenances, and acquisition of the easements and right-of-ways necessary to such construction. This includes, without limitation, construction of sanitary sewer mains and lines throughout the Phase II Site; construction of arterial lines from sanitary sewer trunk mains to structures located within the Phase II Site; and construction of all other sanitary sewer mains and lines, lift station and appurtenances that are essential to the preparation of the Project Area in accordance with the Economic Development Plan (except for those sewer mains and lines, lift stations and appurtenances constructed as Phase I Development Public Site Improvements).

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D. WATER MAINS

Construction of necessary potable water mains and lines and appurtenant facilities, and acquisition of the easements and rights-of-way necessary to such construction. This includes, without limitation, construction of feeder lines from arterial lines to structures located within the Phase II Site; and all other water mains and lines and other appurtenant facilities essential to the preparation of the Project Area in accordance with the Economic Development Plan (except for those water mains and lines and appurtenant facilities constructed as Phase I Development Public Site Improvements).

E. ROADWAYS

Construction of necessary roadways and ancillary roadway improvements and acquisition of the easements and rights-of-way necessary to such construction. These roadways and ancillary roadway improvements shall include the following (or their equivalents):

- (a) *
- (b) *
- (c) *
- (d) *
- (e) *
- (f) *
- (g) *
- (h) *
- (i) *
- (j) *

Construction of each of the foregoing roadway improvements may include, but shall not be limited to: (i) levelling and grading of earth; (ii) preparation of roadbed; (iii) paving; (iv) construction of curbs, sidewalks and gutters; (v) landscaping of medians and shoulders; (vi) installation of storm sewers; (vii) installation of street lighting; and (viii) installation of traffic signals.

F. INDIRECT COSTS

Permit costs and fees related to the construction of all Phase II Development Public Site Improvements.

* Document on file. Confidentiality protected by Chapter 116, Section 207(s) of the Illinois Revised Statutes.

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Exhibit "J"
1 of 1

PUBLIC WORKS AND IMPROVEMENTS

The following is a list of Public Works and Improvements which are to be constructed, by or on behalf of the Village and all activities which are undertaken in connection with such construction, which are authorized by this Agreement and the Economic Development Plan which the Parties agree are reasonable or necessary. This Exhibit may be amended by the parties, from time to time, pursuant to the provisions of this Agreement.

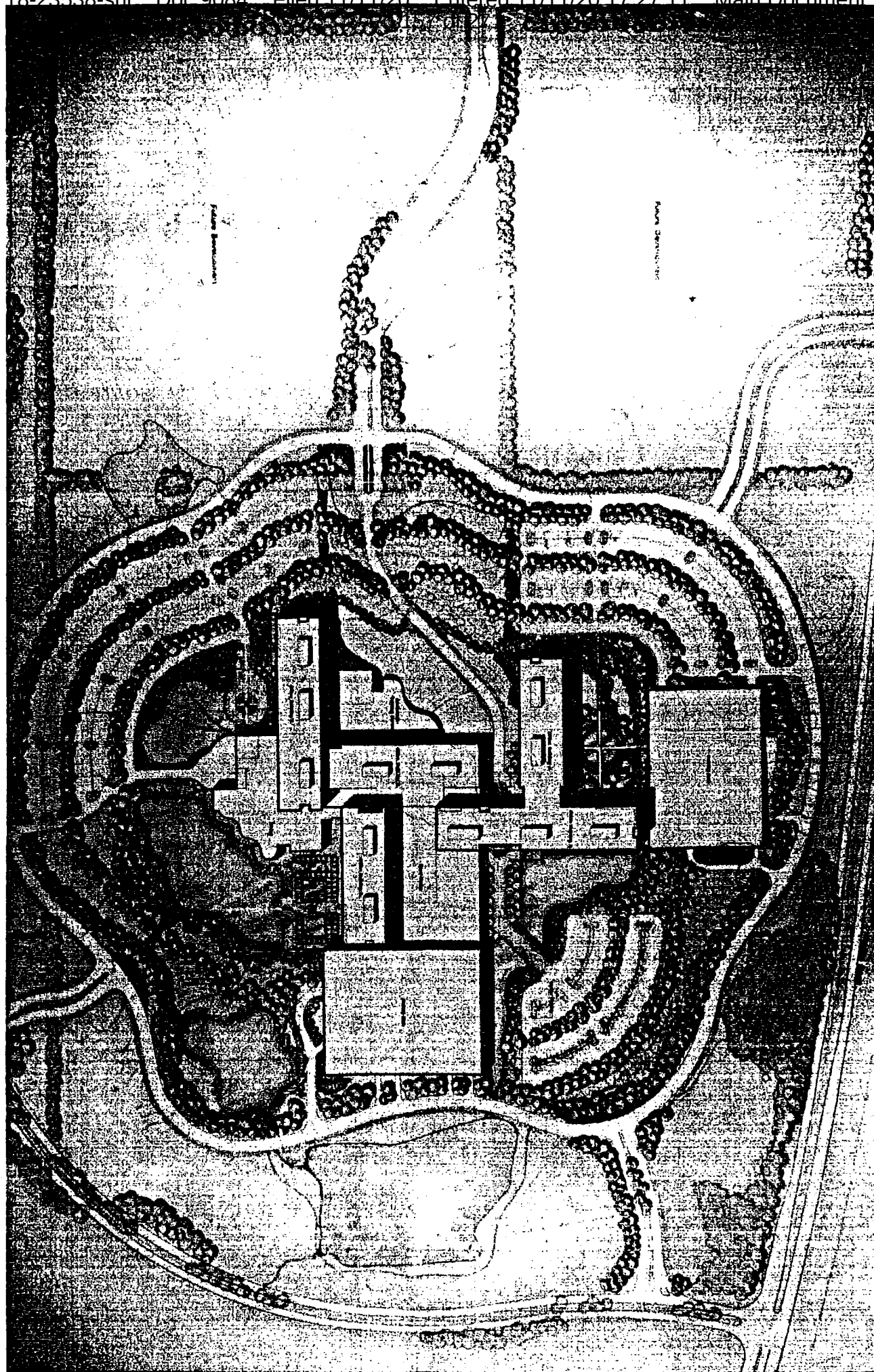
1. VILLAGE MUNICIPAL FACILITY
2. VILLAGE WATER TANK
3. INDIRECT COSTS

Fees related to the construction of Public Works and Improvements listed herein or as otherwise allowed by the provisions of this Agreement.

Exhibit J

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SMG OCCUPANCY DATE NOTICE

Village of Hoffman Estates
1200 North Gannon Drive
Hoffman Estates, IL 60196
Attn: Village Manager

Village of Hoffman Estates
1200 North Gannon Drive
Hoffman Estates, IL 60196
Attn: Corporation Counsel

**Re: SMG Occupancy Date Notice Given Pursuant to
Economic Development Agreement Dated By and Between
the Village of Hoffman Estates and Sears, Roebuck
and Co., ("Agreement")**

Date: _____

Ladies and Gentlemen:

This will confirm that Sears, Roebuck and Co., as Developer under the Agreement, has received the last governmental permit or approval necessary to its commencement of construction of the SMG Home Office Complex.

All terms not otherwise defined herein shall have the meanings given them in the Agreement.

**SEARS, ROEBUCK AND CO., a
New York Corporation**

By: _____
Its: _____

**CC: Senior Vice President - Sears/Resources and Administration
General Counsel - Sears Merchandise Group
Thomas Tully, Esq.
J. Kevin Garvey, Esq.
Harold W. Francke, Esq.**

Exhibit L

EXHIBIT M

LEGAL DESCRIPTION OF SUBJECT PROPERTY

THAT PART OF THE EAST $\frac{1}{2}$ OF SECTION 31, AND THAT PART OF SECTION 32, AND THAT PART OF THE WEST $\frac{1}{2}$ OF SECTION 33, ALL IN TOWNSHIP 42 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, AND ALSO THAT PART OF FRACTIONAL SECTION 3, AND FRACTIONAL SECTION 4, BOTH IN TOWNSHIP 41 NORTH, RANGE 9 EAST OF THE THIRD PRINCIPAL MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 32;

THENCE ALONG THE SOUTH LINE OF THE SOUTHWEST $\frac{1}{4}$ OF SAID SECTION 32, NORTH $89^{\circ}41'27''$ WEST, A DISTANCE OF 1343.48 FEET;

THENCE ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF TOLLWAY I-90 AS CONVEYED TO THE ILLINOIS STATE TOLL HIGHWAY COMMISSION, PER DOCUMENT NO. 17 400 695, RECORDED DECEMBER 10, 1958, THE FOLLOWING FIVE COURSES:

- (1) NORTH $73^{\circ}44'44''$ WEST, A DISTANCE OF 291.20 FEET;
- (2) NORTH $53^{\circ}26'13''$ WEST, A DISTANCE OF 372.02 FEET;
- (3) NORTH $89^{\circ}41'27''$ WEST, A DISTANCE OF 550.00 FEET;
- (4) SOUTH $54^{\circ}08'29''$ WEST, A DISTANCE OF 461.68 FEET;
- (5) SOUTH $87^{\circ}54'36''$ WEST, A DISTANCE OF 612.13 FEET;

THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 31, NORTH $89^{\circ}33'24''$ WEST, A DISTANCE OF 350.18 FEET;

THENCE ALONG THE EASTERLY RIGHT-OF-WAY LINE OF BEVERLY ROAD, AS RECORDED DECEMBER 18, 1956, PER DOCUMENT NO. 16 783 799, THE FOLLOWING FOUR COURSES:

- (1) NORTH $19^{\circ}28'22''$ WEST, A DISTANCE OF 93.54 FEET;
- (2) A DISTANCE OF 379.80 FEET, ALONG AN ARC OF A CIRCLE, CONVEX TO THE SOUTHWEST, HAVING A RADIUS OF 1087.92 FEET, AND WHOSE CHORD OF 377.87 FEET BEARS NORTH $9^{\circ}28'19''$ WEST;
- (3) NORTH $7^{\circ}32'23''$ WEST, A DISTANCE OF 178.10 FEET;
- (4) NORTH $89^{\circ}28'14''$ WEST, A DISTANCE OF 33.00 FEET;

THENCE ALONG THE WEST LINE OF THE EAST $\frac{1}{2}$ OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 31, NORTH $0^{\circ}31'46''$ EAST, A DISTANCE OF 1997.96 FEET;

THENCE ALONG THE WEST LINE OF THE EAST $\frac{1}{2}$ OF THE NORTHEAST $\frac{1}{4}$ OF SAID SECTION 31, NORTH $0^{\circ}25'04''$ EAST, A DISTANCE OF 2432.02 FEET;

THENCE ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF HIGGINS ROAD (ROUTE 72), AS PER DOCUMENTS: NO. 12 079 013, RECORDED NOVEMBER 8, 1937, NO. 12 284 905, RECORDED MARCH 20, 1939, NO. 12 309 896, RECORDED MAY 10, 1939, NO. 12 647 599, RECORDED MARCH 27, 1941, AND NO. 12 288, RECORDED FEBRUARY 20, 1939, THE FOLLOWING FOUR COURSES:

- (1) A DISTANCE OF 189.90 FEET, ALONG AN ARC OF A CIRCLE, CONVEX TO THE SOUTHWEST, HAVING A RADIUS OF 10,257.06 FEET, AND WHOSE CHORD OF 189.90 FEET BEARS SOUTH $82^{\circ}59'46''$ EAST;
- (2) SOUTH $83^{\circ}31'35''$ EAST, A DISTANCE OF 2317.28 FEET;
- (3) A DISTANCE OF 2532.01 FEET, ALONG AN ARC OF A CIRCLE, CONVEX TO THE NORTHEAST, HAVING A RADIUS OF 9965.06 FEET, AND WHOSE CHORD OF 2525.20 FEET BEARS SOUTH $76^{\circ}14'50''$ EAST;
- (4) SOUTH $68^{\circ}58'05''$ EAST, A DISTANCE OF 1233.00 FEET;

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THENCE ALONG THE NORTHWESTERLY RIGHT-OF-WAY LINE OF ELGIN, JOLIET AND EASTERN RAILROAD, AS RECORDED JULY 1, 1889, PER DOCUMENT NO. 1 123 185, SOUTH $11^{\circ}12'47''$ WEST, A DISTANCE OF 3844.25 FEET;
THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST $\frac{1}{4}$, OF SAID SECTION 32, NORTH $89^{\circ}42'33''$ WEST, A DISTANCE OF 1425.69 FEET TO THE POINT OF BEGINNING;

AND ALSO:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 32;
THENCE ALONG THE SOUTH LINE OF THE SOUTHEAST $\frac{1}{4}$ OF SAID SECTION 32, NORTH $89^{\circ}42'33''$ WEST, A DISTANCE OF 1111.55 FEET TO THE POINT OF BEGINNING;

THENCE ALONG THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF SAID ELGIN, JOLIET AND EASTERN RAILROAD, NORTH $11^{\circ}12'47''$ EAST, A DISTANCE OF 3807.64 FEET;

THENCE ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF HIGGINS ROAD (ROUTE 72), SOUTH $68^{\circ}58'05''$ EAST, A DISTANCE OF 1336.48 FEET;

THENCE SOUTH $0^{\circ}07'09''$ WEST, A DISTANCE OF 178.58 FEET;

THENCE SOUTH $89^{\circ}52'51''$ EAST, A DISTANCE OF 185.00 FEET;

THENCE NORTH $0^{\circ}07'09''$ EAST, A DISTANCE OF 12.00 FEET;

THENCE SOUTH $89^{\circ}52'51''$ EAST, A DISTANCE OF 141.20 FEET;

THENCE NORTH $01^{\circ}07'09''$ EAST, A DISTANCE OF 41.94 FEET;

THENCE ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF HIGGINS ROAD, SOUTH $68^{\circ}58'05''$ EAST, A DISTANCE OF 135.51 FEET;

THENCE AS MONUMENTED AND OCCUPIED, SOUTH $0^{\circ}07'09''$ WEST, A DISTANCE OF 1769.21 FEET;

THENCE ALONG A LINE PARALLEL WITH, AND 1323.61 FEET NORTH OF THE SOUTH LINE, OF THE SOUTHWEST $\frac{1}{4}$ OF SAID SECTION 33, SOUTH $89^{\circ}44'52''$ EAST, A DISTANCE OF 1210.76 FEET;

THENCE ALONG THE WESTERLY RIGHT-OF-WAY LINE OF STATE HIGHWAY NO. 59 (NEW SUTTON ROAD), AS RECORDED AUGUST 30, 1934, PER DOCUMENT NO. 11 451 859, A DISTANCE OF 83.94 FEET ALONG AN ARC OF A CIRCLE, CONVEX TO THE SOUTHEAST, HAVING A RADIUS OF 1458.06 FEET, AND WHOSE CHORD OF 83.93 FEET BEARS SOUTH $18^{\circ}01'24''$ WEST;

THENCE ALONG THE NORTHERLY RIGHT-OF-WAY LINE OF TOLLWAY I-90, RECORDED MAY 13, 1957 PER DOCUMENT NO. 16 902 251, AS MONUMENTED AND OCCUPIED, THE FOLLOWING TEN COURSES:

- (1) SOUTH $32^{\circ}03'22''$ WEST, A DISTANCE OF 312.00 FEET;
- (2) SOUTH $40^{\circ}38'44''$ WEST, A DISTANCE OF 517.39 FEET;
- (3) NORTH $49^{\circ}12'41''$ WEST, A DISTANCE OF 70.00 FEET;
- (4) NORTH $89^{\circ}52'22''$ WEST, A DISTANCE OF 635.00 FEET;
- (5) SOUTH $0^{\circ}28'49''$ WEST, A DISTANCE OF 237.60 FEET;
- (6) SOUTH $50^{\circ}39'29''$ WEST, A DISTANCE OF 501.20 FEET;
- (7) SOUTH $74^{\circ}15'09''$ WEST, A DISTANCE OF 472.21 FEET;
- (8) NORTH $89^{\circ}44'13''$ WEST, A DISTANCE OF 1513.85 FEET;
- (9) NORTH $0^{\circ}23'47''$ EAST, A DISTANCE OF 15.00 FEET;
- (10) NORTH $89^{\circ}44'13''$ WEST, A DISTANCE OF 81.60 FEET;

THENCE ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF ELGIN, JOLIET AND EASTERN RAILROAD, NORTH $11^{\circ}12'47''$ EAST, A DISTANCE OF 44.75 FEET, TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

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EXHIBIT N

CONTRACTS IN EXISTENCE OR TO BE LET BY THE DEVELOPER¹

CONSULTANT

SCOPE OF WORK

Barton-Aschman	Traffic Analysis and Consultation
Ludlow & Associates	Surveying
Tornrose Campbell	Civil Engineering (including civil engineering on Phase II Site which supports Phase I Development)
STS Consultants	Geotechnical Analysis
Hey & Associates	Environmental Studies
Schal Associates	Value Engineering
Donohue Associates ²	Civil Engineering/Planning/Landscape (including civil engineering, planning and landscape on Phase II Site which supports Phase I Development)
Perkins & Will	Master Planning ³ 788 Acres
Homart Development Co.	Project Coordinator

- 1 The Village reserves the right to confirm that dollar amounts expended under contracts relate to property assembly costs, site preparation costs, and costs of construction of the Public Improvements, all as defined in the Act.
- 2 Includes subcontract to Johnson, Johnson & Roy.
- 3 Does not include costs for master planning of Phase I Site (200 acre), which costs are not deemed to be a "Project Cost".

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EXHIBIT O

**PROPERTY ASSEMBLY COSTS PAID, INCURRED
OR KNOWN AS OF THE DATE OF THIS AGREEMENT**

I. CONSULTANT COSTS

<u>CONSULTANT</u>	<u>SCOPE OF WORK</u>¹	<u>EDA COSTS</u>²
Ludlow	ALTA Survey ³	
Coldwell Banker		
Commercial	Brokerage	
Tornrose Campbell	Preliminary Civil	
STS Consultants	Preliminary Soils	*
Rudnick & Wolfe	Property Assemblage, Zoning, Environmental, Economic Development	
Subtotal		\$1,550,000.00

II. PURCHASE PRICE

	<u>EDA COSTS</u>
(1) Origer Estate	*
(2) Origer Children	
(3) Studz	
(4) Nederlander:	
73 acre parcel ⁴	
148 acre parcel ⁴	
(5) Watson ⁵	
Subtotal	\$87,368,618.00

III. TITLE AND SEARCHES³

	<u>EDA COSTS</u>²
(1) Origer Estate:	
(a) Title ⁶	*
(b) Searches	
(2) Origer Children:	
(a) Title ⁶	*
(b) Searches	
(3) Studz: Purchaser to receive a credit for:	
(a) Title ⁶	*
(b) Searches	

* Document on file. Confidentiality protected by Chapter 24, Section 207(s) of the Illinois Revised Statutes.

(4)	Nederlander; For both parcels:	
(a)	Title ⁶	*
(b)	Searches	
(5)	Watson: ⁵	
(a)	Title	*
(b)	Searches	
	Subtotal	\$40,000.00

IV. ESCROW CHARGES³

EDA COSTS²

(1)	Origer Estate and Origer Children	*
(2)	Nederlander	
(3)	Studz	
	Subtotal	\$5,000.00

- 1 Contracts are subject to execution of change orders.
- 2 Costs are estimated and are not intended to be final.
- 3 Subject to credits pursuant to Acquisition Contracts.
- 4 Provided the initial closing date is not extended. If the initial closing date is extended beyond June 29, 1990, Sears must deliver into the strict joint order escrow at Ticor Title Insurance Company an additional \$_____ per parcel, of which \$_____ per parcel will not be credited against the purchase price for each parcel.
- 5 Acquisition closed on September 7, 1989. All charges related to such closing have been paid in full.
- 6 This quote from Ticor Title Insurance Company is based on a title insurance premium of \$.40 per \$1,000.00 and a zoning 3.0 endorsement fee of \$.05 per \$1,000.00. No other endorsements are included in the quote, nor is the cost of reinsurance included.

* Document on file. Confidentiality protected by Chapter 24, Section 207(s) of the Illinois Revised Statutes.

EXHIBIT P

**PROJECT COSTS PAID OR INCURRED BY THE DEVELOPER
AS OF THE DATE OF THIS AGREEMENT IN CONNECTION WITH
THE CONSTRUCTION OF THE PUBLIC SITE IMPROVEMENTS**

I. PROJECT COSTS PAID OR INCURRED BY THE DEVELOPER

<u>CONSULTANT</u>	<u>EDA COSTS</u>¹	<u>DESCRIPTION OF WORK</u>
<u>Planning</u>		
Barton-Aschman	\$278,332	Traffic impact analysis; roadway design
Perkins & Will	<u>244,152</u>	Site and master planning
Subtotal	<u>\$522,484</u>	
<u>Engineering</u>		
Ludlow & Associates	\$173,000	Surveying; topographic studies
STS Consultants	97,742	Geotechnical studies
Tornrose Campbell	65,328	Utility design
Hey & Associates	152,080	Environmental studies
Chicago Area Transport- ation Study	2,248	Traffic data
Subtotal	<u>\$490,398</u>	

- 1 Costs are not intended to be final; additional Project Costs are expected to be incurred.

Mayor
MICHAEL J. O'MALLEY
Village Clerk
VIRGINIA M. HAYTER
Village Manager
PETER T. BURCHARD



Board of Trustees
BRUCE C. LIND
WILLIAM D. McLEOD
SUSAN H. KENLEY
MICHAEL D. FRIESEN
RICHARD A. COCHRAN
LOUIS G. DESRUISSEUX

March 19, 1990

Mr. Michael Bozic
Chairman and Chief Executive Officer
Sears Merchandise Group
Sears Tower
Chicago, IL 60684

**Re: Letter of Clarification of Intent of Village Board Amendment of
February 26, 1990 Prior to Approval of Economic Development
Agreement By and Between The Village of Hoffman Estates and
Sears, Roebuck and Co.**

Dear Mr. Bozic:

On February 26, 1990, the Village Board of the Village of Hoffman Estates approved, by Ordinance No. 2161-1990, the above referenced Economic Development Agreement. Prior to such approval, amendments to Sections 3.1-(e)-(2), 4.2(a) and 4.2(b) were made which stated that in regard to service contracts (Exhibit "N"), property assembly costs (Exhibit "O") and costs of construction activities (Exhibit "P"), that "both the Village and Sears agree that Chapman and Cutler as Bond Counsel for the Village, will determine what costs. . . qualify as Project costs under the Act".

In order to clarify the scope of such determination, please be advised that, after discussion with Corporation Counsel and the Board of Trustees, I can represent that the intent of such amendment was not to have Chapman and Cutler determine specific dollar amounts of expenditures or the reasonableness or necessity of any given expenditure. Rather, the Village's intent is to make Chapman and Cutler the party responsible for determining if the amounts payable under such service contracts, as well as the amount payable as "property

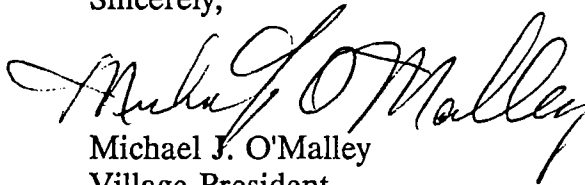
assembly costs", as "site preparation costs", and as costs of construction of the Public Improvements (as defined in the Agreement), qualify as "economic development project costs" under the State Statute referenced as the "Act" in the Agreement.

Specifically, with respect to Exhibit "N", it is understood that, to the extent service contracts relate to construction activities which do not constitute "site preparation costs" as that term is defined in the Act, or costs of construction of Public Improvements as that term is defined in the Agreement, then to such extent the costs incurred under such service contracts shall not be deemed to qualify under the Act and under the Agreement as a "Project Cost".

However, it remains the Village's intention to have the prorated share of the "qualified" portions of service contracts, property assembly costs, site preparation costs and costs of construction of the Public Improvements and to have the reasonableness or necessity of the "qualified" portions of service contracts, property assembly costs, site preparation costs and cost of construction of the Public Improvements determined under the provisions of Sections 4.3, 4.4 and 17.5 of the Agreement.

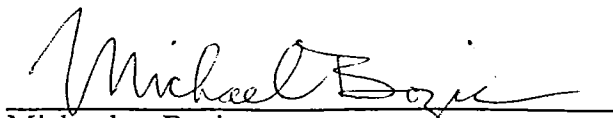
If this is your understanding and agreement, please sign one copy and return.

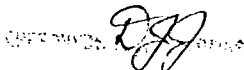
Sincerely,


Michael J. O'Malley
Village President

MJO/ds

Understood and Agreed to:


Michael Bozic
Chairman and Chief Executive Officer
Sears Merchandise Group



UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----	X	
In re	:	
	:	Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors. ¹	:	(Jointly Administered)
-----	X	

**SIXTH SUPPLEMENTAL NOTICE OF CURE COSTS AND POTENTIAL
ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND
UNEXPIRED LEASES IN CONNECTION WITH GLOBAL SALE TRANSACTION**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On November 19, 2018, the Bankruptcy Court entered the *Order Approving Global Bidding Procedures and Granting Related Relief* (the “**Global Bidding Procedures Order**”) (ECF No. 816),² approving global bidding and sale procedures (the “**Global Bidding Procedures**”), substantially in the form attached to the Global Bidding Procedures Order as Exhibit 1, in connection with the sale or disposition of substantially all of the Debtors’ assets (the “**Assets**”), among other relief.

2. On November 21, 2018, the Debtors filed the *Notice of Filing of Global Bidding Procedures Process Letter* (ECF No. 862) (the “**Global Process Letter**”) soliciting bids on the Assets, including the Debtors’ retail stores or groups of stores (the “**Retail Stores**”) on a going

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

² Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Global Bidding Procedures Order, the Asset Purchase Agreement or the Sale Order (each as defined herein), as applicable.

concern or liquidation basis and individual target businesses, including Sears Home Services, the business unit PartsDirect, Sears Auto Centers, and Innovel (the “**Target Businesses**”) (the Retail Stores together with the Target Businesses, the “**Global Assets**”).

3. On January 14, 2019, the Debtors commenced an auction for the sale of the Global Assets (the “**Auction**”). As announced on the record of the Auction, the Debtors, as directed by the Restructuring Committee, determined that the offer submitted by Transform Holdco, LLC (the “**Buyer**”), established by ESL Investments, Inc. to acquire substantially all of the Global Assets, was the highest or best offer for the Global Assets (the “**Successful Bid**”). The Debtors executed an asset purchase agreement with the Buyer for purchase of the Acquired Assets (as defined in the Asset Purchase Agreement), dated January 17, 2019 (the “**Asset Purchase Agreement**,” and the transaction effected thereby, the “**Global Asset Sale Transaction**”). A copy of the Asset Purchase Agreement and description of the material terms thereof are provided in the *Notice of Successful Bidder and Sale Hearing*, filed on January 18, 2019 (ECF No. 1730).

4. On January 18, 2019, the Debtors filed and served on the applicable Sale Notice Parties the *Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1731) (the “**Initial Notice**”). On January 23, 2019, the Debtors filed and served on the applicable counterparties the *Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1774) (the “**Supplemental Notice**”). On January 31, 2019, the Debtors filed and served on the applicable counterparties the *Second Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2314) (the “**Second Supplemental Notice**”). On March 5, 2019, the Debtors filed and served on the applicable counterparties the *Third Supplemental Notice of Cure Costs and Potential Assumption & Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2753) (the “**Third Supplemental Notice**”). On March 29, 2019, the Debtors filed and served on the applicable counterparties the *Fourth Supplemental Notice of Cure Costs and Potential Assumption & Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2995) (the “**Fourth Supplemental Notice**”). On April 9, 2019, the Debtors filed and served on the applicable counterparties the *Fifth Supplemental Notice of Cure Costs and Potential Assumption & Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3097) (the “**Fifth Supplemental Notice**” and, collectively with the Initial Notice, the Supplemental Notice, the Second Supplemental Notice, the Third Supplemental Notice, and the Fourth Supplemental Notice, the “**Cure Notices**”).

5. On February 8, 2019, the Bankruptcy Court entered the *Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Leases in Connection Therewith, and (IV) Granting Related Relief* (ECF No. 2507) (the “**Sale Order**”), approving the Global Asset Sale Transaction. On February 11, 2019, the Debtors closed the Global Asset Sale Transaction with the Buyer (the “**Closing Date**”).

6. In accordance with the Assumption and Assignment Procedures and the Global

Bidding Procedures Order, the Debtors may, in connection with the Global Asset Sale Transaction, seek to assume and assign to the Buyer (or its designated assignee, if applicable) certain Contracts and Leases of the Debtors.

7. You are receiving this Sixth Supplemental Notice because you may be a Counterparty to a Contract or Lease of the Debtors that potentially could be assumed and assigned to the Buyer in connection with the Global Asset Sale Transaction.

Cure Costs

8. In accordance with the terms of the Sale Order, Buyer may designate Additional Contracts and Designatable Leases (collectively, the “**Additional Assigned Agreements**”) for assumption and assignment for up to sixty (60) days after the Closing Date.

9. Each of the Contracts that may be assumed and assigned in connection with the Global Asset Sale Transaction that were not included in the prior Cure Notices (the “**Contracts**”), and the Debtors’ calculation of the Cure Costs with respect thereto are set forth on Exhibit A hereto. Each of the Leases that may be assumed and assigned in connection with the Global Asset Sale Transaction that were not included in the prior Cure Notices (the “**Leases**”), and the Debtors’ calculation of the Cure Costs with respect thereto are set forth on Exhibit B hereto.

10. The inclusion of any Contract or Lease on Exhibit A or Exhibit B does not constitute an admission that a particular Contract or Lease is an executory contract or unexpired lease within the meaning of the Bankruptcy Code or require or guarantee that such Contract or Lease ultimately will be assumed or assigned. Assumption or assignment of a Contract or Lease is subject to Court approval. All rights of the Debtors and other parties in interest with respect thereto are reserved.

11. The Debtors’ proposed Cure Amounts may not reflect negotiated settlements or payments made pursuant to first-day orders that would reduce the proposed Cure Amounts. The Debtors are in the process of reconciling these numbers and reserve the right to amend the proposed cure amounts at any time, before or after the Objection Deadline. If the Debtors determine that the proposed Cure Amounts set forth in Exhibit A or Exhibit B hereto include any amounts previously paid, the proposed Cure Amounts will be adjusted to eliminate such amounts and the Debtors will serve a further revised notice setting forth updated proposed Cure Amounts to the applicable Counterparties as soon as reasonably practicable following the determination that an adjustment is required. In the event that the proposed Cure Amounts in Exhibit A or Exhibit B are amended, the notice filed later in time shall govern and supersede the earlier notice with respect to such modified amounts.

Buyer’s Adequate Assurance Information

12. Adequate Assurance Information for the Buyer (or Buyer’s assignee, if applicable) will be distributed to the applicable Counterparties. The Adequate Assurance Information of the Buyer (or Buyer’s assignee, if applicable) is intended to provide the Counterparties to the Contracts and Leases with adequate assurance of future performance and to support the ability of the Buyer (or Buyer’s assignee, if applicable) to comply with the

requirements of adequate assurance of future performance, including the financial wherewithal and willingness to perform under the Contracts and Leases of the Buyer (or Buyer's assignee, if applicable).

Assumption and Assignment Procedures

13. On February 1, 2019, the Debtors filed the Notice of Filing Initial Assigned Agreements in Connection with Global Sale Transaction, as amended on February 3, 2019, February 7, 2019 (ECF Nos. 2349, 2377, 2452) (the "**Initial Assigned Agreements**"). In accordance with the Sale Order, the Initial Assigned Agreements were assumed and assigned to the Buyer as of the Closing Date. On March 19, 2019, the Debtors filed the Notice of Filing of Further Revised List of Initial Assigned Agreements in Connection with the Sale Transaction [ECF No. 2910].

14. The Asset Purchase Agreement also provides for certain rights for the Buyer to acquire certain additional contracts and leases that were not on the Initial Assigned Agreements list after the Closing Date (each, an "**Additional Contract**"). At any time prior to the date that is sixty (60) days after the Closing Date, but in no event later than May 3, 2019, the Buyer may elect that certain contracts and agreements related to the Business (but that were not on the Initial Assigned Agreements list) be assumed by the Sellers and assigned to the Buyer or an applicable Assignee of the Buyer.

15. The Asset Purchase Agreement also includes the purchase of the exclusive right to irrevocably select, identify and designate certain Leases for assumption and assignment (the "**Designation Rights**") after the Closing Date. The Designation Rights terminate upon the expiration of the period commencing on the Closing Date and ending on the earliest of (i) five (5) Business Days after delivery of the applicable Buyer Rejection Notice, (ii) the date on which an applicable agreement is assumed and assigned to an Assignee, (iii) the date which is sixty (60) days after the Closing Date and (iv) May 3, 2019.

16. You will receive an additional notice informing you if your Contract or Lease is designated for assumption and assignment to the Buyer.

Objections

A. Cure Objections

17. Any objection to the proposed assumption, assignment, or potential designation of a Contract or Lease identified on Exhibit A or Exhibit B, the subject of which objection are the Debtors' proposed Cure Costs (a "**Cure Objection**") must be (i) filed in accordance with the Global Bidding Procedures Order; (ii) filed with the Bankruptcy Court; and (iii) served on the Objection Recipients (as identified in the Global Bidding Procedures) by **April 19, 2019 at 4:00 p.m. (Eastern Time)** (the "**Cure Objection Deadline**").

18. If a Cure Objection cannot otherwise be resolved by the parties, the Debtors may adjourn their request to assume the Contract or Lease pending resolution of the Cure Objection (an "**Adjourned Cure Objection**") subject to the Global Bidding Procedures Order; provided further that, to the extent the Adjourned Cure Objection is resolved or determined unfavorably to the Debtors, the Debtors may withdraw the proposed assumption of the applicable Contract or Lease

after such determination by filing a notice of withdrawal, which, in the case of a Lease, shall be prior to the expiration of the applicable deadline to assume or reject unexpired leases under section 365(d)(4) of the Bankruptcy Code. An Adjourned Cure Objection may be resolved in the Debtors' discretion.

IF A COUNTERPARTY FAILS TO FILE WITH THE BANKRUPTCY COURT AND SERVE ON THE OBJECTION RECIPIENTS A TIMELY CURE OBJECTION, THE COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO THE AMOUNT TO CURE ANY DEFAULT UNDER THE APPLICABLE CONTRACT OR LEASE. THE CURE COSTS SET FORTH ON EXHIBIT A AND EXHIBIT B HERETO SHALL BE CONTROLLING AND WILL BE THE ONLY AMOUNT NECESSARY TO CURE OUTSTANDING DEFAULTS UNDER THE APPLICABLE CONTRACT OR LEASE UNDER BANKRUPTCY CODE SECTION 365(B), NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT OR LEASE, OR ANY OTHER DOCUMENT, AND THE APPLICABLE COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY ADDITIONAL CURE OR OTHER AMOUNTS WITH RESPECT TO SUCH CONTRACT OR LEASE AGAINST THE DEBTORS, THE BUYER, OR THE PROPERTY OF ANY OF THEM.

B. Adequate Assurance Objections

19. Any counterparty to the Additional Contracts and Designatable Leases who wishes to object to the proposed assumption, assignment, or potential designation of its Additional Contract or Designatable Lease, the subject of which objection is the Buyer's (or the Buyer's assignee's) (a) ability to provide adequate assurance of future performance or (b) the proposed form of adequate assurance of future performance with respect to such Contract or Lease (an "**Adequate Assurance Objection**"), must (i) file such objection with the Bankruptcy Court in accordance with the Global Bidding Procedures Order and (ii) serve such objection on the Objection Recipients (as identified in the Global Bidding Procedures) by **April 19, 2019 at 4:00 p.m. (Eastern Time)** (the "**Adequate Assurance Objection Deadline**").

20. If a timely Adequate Assurance Objection cannot otherwise be resolved by the parties, such objection and all issues of adequate assurance of future performance shall be determined by the Court at a hearing on a date to be scheduled by the Debtors in their discretion.

IF A COUNTERPARTY FAILS TO FILE WITH THE BANKRUPTCY COURT AND SERVE ON THE OBJECTION RECIPIENTS A TIMELY ADEQUATE ASSURANCE OBJECTION, THE COUNTERPARTY SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO ADEQUATE ASSURANCE OF FUTURE PERFORMANCE OF THE APPLICABLE CONTRACT OR LEASE. THE BUYER (OR ITS DESIGNATED ASSIGNEE, IF APPLICABLE) SHALL BE DEEMED TO HAVE PROVIDED ADEQUATE ASSURANCE OF FUTURE PERFORMANCE WITH RESPECT TO THE APPLICABLE CONTRACT OR LEASE IN ACCORDANCE WITH BANKRUPTCY CODE SECTION 365(F)(2)(B), NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE CONTRACT OR LEASE, OR ANY OTHER DOCUMENT.

Additional Information

21. Copies of the Global Bidding Procedures Order, the Cure Notices, the Sale Order, the Asset Purchase Agreement, the Initial Assigned Agreements and the Assumption and Assignment Order may be obtained free of charge at the website dedicated to the Debtors' chapter 11 cases maintained by their claims and noticing agent and administrative advisor, Prime Clerk LLC, located at <https://restructuring.primeclerk.com/Sears>.

Dated: April 11, 2019

/s/ Jacqueline Marcus
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
Telephone: (212) 310-8000
Facsimile: (212) 310 8007
Ray C. Schrock, P.C.
Jacqueline Marcus
Garrett A. Fail
Sunny Singh

*Attorneys for Debtors
and Debtors in Possession*

Exhibit A

Cure Costs Schedule – Executory Contracts

Sears Holdings Corporation
Supplemental Cure Noticing
Executory Contracts

No	Debtor Counterparty(s)	Counterparty Name	Contract Title	Contract Expiration Date	Cure Amount
1	SEARS. ROEBUCK AND CO	TIMETRADE SYSTEMS, INC.	N/A	N/A	\$ -
2	SEARS HOME IMPROVEMENT PRODUCTS, INC	NEST LABS, INC.	RESELLER AGREEMENT (WHOLESALE DISTRIBUTION)	12/31/2017	\$ -
3	SEARS HOLDINGS MANAGEMENT CORPORATION K MART CORPORATION SEARS, ROEBUCK AND CO.	KONICA MINOLTA/COPYTRONICS, INC.	"SHOP YOUR WAY" AMENDMENT TO MASTER KONICA MINOLTA/COPYTRONICS, INC PREMIER LEASE AGREEMENT	N/A	\$ -
4	SEARS HOME IMPROVEMENT PRODUCTS, INC	KONICA MINOLTA/COPYTRONICS, INC.	AMENDMENT TO MASTER PREMIER LEASE AGREEMENT	N/A	\$ -
5	SEARS HOME IMPROVEMENT PRODUCTS, INC	NEST LABS, INC.	AMENDMENT NO. 1 TO RESELLER AGREEMENT (WHOLESALE DISTRIBUTION)	12/31/2018	\$ -
6	SEARS HOME IMPROVEMENT PRODUCTS, INC	OWENS CORNING SALES, LLC	FIRST AMENDMENT TO PROMOTIONAL INCENTIVE AGREEMENT	12/31/2017	\$ -
7	SEARS HOME IMPROVEMENT PRODUCTS, INC	OWENS CORNING SALES, LLC	PROGRAM LETTER - UPDATE TO PROMOTIONAL INCENTIVE AGREEMENT	12/31/2018	\$ -
8	SEARS HOME IMPROVEMENT PRODUCTS, INC	COMPUTER POWER SYSTEMS, INC.	STANDARD SERVICE AGREEMENT - MITSUBISHI	3/29/2019	\$ -
9	SEARS HOME IMPROVEMENT PRODUCTS, INC	COMPUTER POWER SYSTEMS, INC.	STANDARD SERVICE AGREEMENT - POWERWARE	3/29/2019	\$ -
10	SEARS, ROEBUCK AND CO.	THE VILLAGE OF HOFFMAN ESTATES	ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF HOFFMAN ESTATES AND SEARS, ROEBUCK AND CO.	N/A	\$ -
11	SEARS, ROEBUCK AND CO.	THE VILLAGE OF HOFFMAN ESTATES	FOURTH AMENDMENT TO THE ECONOMIC DEVELOPMENT AGREEMENT	N/A	\$ -
12	SEARS HOLDINGS MANAGEMENT CORPORATION	NOVELL INC.	ADDENDUM TO SUSE LINUX ENTERPRISE SERVER ("SLES") 1 SP2 NOVEL SOFTWARE LICENSE AGREEMENT	1/28/2014	\$ -
13	SEARS HOLDINGS MANAGEMENT CORPORATION	NOVELL INC.	SUSE LINUX ENTERPRISE SERVER ("SLES") 1 SP2 NOVEL SOFTWARE LICENSE AGREEMENT	1/28/2014	\$ -
14	K MART CORPORATION	T LEX, INC.	SERVICES AGREEMENT	PERPETUAL	\$ 8,925.00
15	SEARS HOLDINGS MANAGEMENT CORPORATION	RED HAT INC.	RED HAT ENTERPRISE AGREEMENT	2/7/2009	\$ -
16	SEARS HOLDINGS MANAGEMENT CORPORATION	RED HAT INC.	RED HAT ENTERPRISE AGREEMENT - APPENDIX #3	2/7/2009	\$ -
17	SEARS HOLDINGS MANAGEMENT CORPORATION	RED HAT INC.	RED HAT ENTERPRISE LINUX SERVER WITH SMART MANAGEMENT, STANDARD (PHYSICAL OR VIRTUAL NODES)-	2/7/2009	\$ -
18	SEARS HOME IMPROVEMENT PRODUCTS, INC	REMODELING.COM, LLC	SOW #1 LEAD GENERATION SERVICES FOR SEARS HOME IMPROVEMENT PRODUCTS	7/31/2021	\$ -
19	SEARS HOME IMPROVEMENT PRODUCTS, INC	REMODELING.COM, LLC	REVISION TO EXHIBIT OF SOW #1 LEAD GENERATION SERVICES FOR SEARS HOME IMPROVEMENT PRODUCTS	7/31/2021	\$ -

Exhibit B

Cure Costs Schedule – Leases

Sears Holdings Corporation
Supplemental Cure Noticing
Real Estate Leases

No.	Store Number	Store Name	State	Debtor Counterparty(s)	Counterparty Name	Contract Title	Contract Expiration Date	Debtor's Interest	Cure Amount
1	490	HOFFMAN ESTATES	IL	SEARS HOLDINGS MANAGEMENT CORPORATION	ARAMARK SERVICES (C3)	FOOD SERVICE TENANCY	12/31/14 (MTM)	LESSOR	\$ -
2	490	HOFFMAN ESTATES	IL	SEARS HOLDINGS MANAGEMENT CORPORATION	ARAMARK SERVICES (JAVA CITY)	FOOD SERVICE TENANCY	12/31/14 (MTM)	LESSOR	\$ -
3	490	HOFFMAN ESTATES	IL	SEARS HOLDINGS MANAGEMENT CORPORATION	AXA ADVISORS, LLC	ATRIUM LICENSE AGREEMENT	9/30/15 (MTM)	LESSOR	\$ -
4	490	HOFFMAN ESTATES	IL	SEARS HOLDINGS MANAGEMENT CORPORATION	THE SALVATION ARMY	PARKING LOT ARRANGEMENT	6/30/2099	LESSOR	\$ -
5	3544	SALEM	VA	KMART CORPORATION	NAIL TIPS	TENANCY	N/A	LESSOR	\$ -
6	26734	SANFORD	FL	SEARS ROEBUCK AND CO.	FIELDS CHRYSLER-JEEP-DODGE SANFORD	TENANCY	11/30/2027	LESSOR	\$ -
7	30934	NORTH MEMPHIS	TN	KMART CORPORATION	C&T ENTREPRENEURS INC	TENANCY	N/A	LESSOR	\$ -
8	31900	STERLING	IL	KMART STORES OF ILLINOIS, LLC	MY NAILS	TENANCY	N/A	LESSOR	\$ -

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Jacqueline Marcus
Garrett A. Fail
Sunny Singh

*Attorneys for Debtors
and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
In re	:	
	:	Chapter 11
SEARS HOLDINGS CORPORATION, et al.,	:	
	:	Case No. 18-23538 (RDD)
	:	
Debtors.¹	:	(Jointly Administered)
-----	X	

**NOTICE OF ASSUMPTION AND ASSIGNMENT
OF ADDITIONAL EXECUTORY CONTRACTS**

1. Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), filed a motion,

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

dated November 1, 2018 (ECF No. 429) (the “**Sale Motion**”) seeking, among other things, the entry of an order pursuant to sections 105, 363 and 365 of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.* (the “**Bankruptcy Code**”), Rules 2002, 6004, 6006, 9007, and 9008 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rules 6004-1, 6005-1 and 6006-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the “**Local Rules**”), authorizing and approving the sale of the Acquired Assets and the assumption and assignment of certain executory contracts and unexpired leases of the Debtors in connection therewith.

2. On January 18, 2019, the Debtors filed and served on the applicable counterparties the *Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1731) (the “**Initial Notice**”).

3. On January 23, 2019, the Debtors filed and served on the applicable counterparties the *Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 1774) (the “**Supplemental Notice**”).

4. On January 31, 2019, the Debtors filed and served on the applicable counterparties the *Second Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2314) (the “**Second Supplemental Notice**”).

5. On March 5, 2019, the Debtors filed and served on the applicable counterparties the *Third Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2753) (the “**Third Supplemental Notice**”).

6. On March 29, 2019, the Debtors filed and served on the applicable counterparties the *Fourth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 2995) (the “**Fourth Supplemental Notice**”).

7. On April 9, 2019, the Debtors filed and served on the applicable counterparties the *Fifth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3097) (the “**Fifth Supplemental Notice**”).

8. On April 11, 2019, the Debtors filed and served on the applicable counterparties the *Sixth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3152) (the “**Sixth Supplemental Notice**”).

9. On April 23, 2019, the Debtors filed and served on the applicable counterparties the *Seventh Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3330) (the “**Seventh Supplemental Notice**”).

10. On April 30, 2019, the Debtors filed and served on the applicable counterparties the *Eighth Supplemental Notice of Cure Costs and Potential Assumption and Assignment of Executory Contracts and Unexpired Leases in Connection with Global Sale Transaction* (ECF No. 3453) (the “**Eighth Supplemental Notice**” and together with the Initial Notice, the Supplemental Notice, the Second Supplemental Notice, the Third Supplemental Notice, the Fourth Supplemental Notice, the Fifth Supplemental Notice, the Sixth Supplemental Notice and the Seventh Supplemental Notice, the “**Assumption and Assignment Notices**”).

11. On February 8, 2019, the *Order (I) Approving the Asset Purchase Agreement Among Sellers and Buyer, (II) Authorizing the Sale of Certain of the Debtors’ Assets Free and Clear of Liens, Claims, Interests and Encumbrances, (III) Authorizing the Assumption and Assignment of Certain Executory Contracts, and Leases in Connection Therewith, and (IV) Granting Related Relief* (the “**Sale Order**”) (ECF No. 2507)² was entered by the Court.

12. In accordance with the terms of the Sale Order, Buyer may designate Additional Contracts and Designatable Leases (collectively, the “**Additional Assigned Agreements**”) for assumption and assignment for up to sixty (60) days after the Closing Date (the “**Designation Rights Period**”), which occurred on February 11, 2019. The Debtors and Buyer agreed to an extension of the Designation Rights Period and, on April 12, 2019, the Debtors filed the *Notice of Amendment to Asset Purchase Agreement Extending Certain Deadlines* (ECF No. 3171), which extended the Designation Rights Period to May 3, 2019 for certain Designatable Leases and to May 13, 2019 for certain Additional Contracts.

13. On April 2, 2019, the Court entered the *Order (I) Authorizing Assumption and Assignment of Certain Executory Contracts and Leases and (II) Granting Related Relief* (the “**Assumption and Assignment Order**”) (ECF No. 3008).

14. Paragraphs 26 and 27 of the Assumption and Assignment Order establish a noticing procedure for assumption and assignment of Additional Assigned Agreements.

15. In accordance with the Sale Order and the Assumption and Assignment Order, Buyer has designated for assumption and assignment certain Additional Contracts, which are listed on **Exhibit 1** hereto.

16. Each of the Additional Contracts listed on **Exhibit 1** was listed on an Assumption and Assignment Notice that was previously filed with the Bankruptcy Court and served on the applicable Counterparty, and all objection periods related to such Assumption and Assignment Notice, other than the Eighth Supplemental Notice, have expired. All Additional Contracts listed in **Exhibit 1** shall be deemed to include any and all applicable supplements, amendments, and/or addenda.

17. To the extent a counterparty to an Additional Contract properly filed and served a Cure Objection, and to the extent such counterparty is entitled to assert a Cure Objection under the Eighth Supplemental Notice, or an additional objection to cure costs or assumption and assignment that could not have been raised in its prior objection, in accordance with paragraph 34 of the Sale

² Capitalized terms used but not defined herein have the meanings ascribed to them in the Sale Order.

Order and paragraph 26 of the Assumption and Assignment Order, such counterparty shall file and serve such objection (a “**Supplemental Objection**”) in accordance with the *Amended Order Implementing Certain Notice and Case Management Procedures*, entered on November 1, 2018 (ECF No. 405) so as to be filed and received no later than May 10, 2019 at 4:00 p.m. (Eastern Time) (the “**Supplemental Objection Deadline**”).

18. If a Cure Objection or a Supplemental Objection is timely filed and served with respect to an Additional Contract listed on Exhibit 1, the contract that is the subject of the Cure Objection or Supplemental Cure Objection may be removed from the list of Additional Contracts listed on Exhibit 1 at any time prior to the Assumption Effective Date for such Additional Contract, as determined in accordance with paragraph 27 of the Assumption and Assignment Order, or, to the extent it remains unresolved, such Cure Objection or Supplemental Objection shall be set for a hearing (the “**Hearing**”) before the Honorable Robert D. Drain, United States Bankruptcy Judge, at the United States Bankruptcy Court for the Southern District of New York, Courtroom 118, 300 Quarropas Street, White Plains, New York, 10601-4140 (the “**Bankruptcy Court**”) on a date to be scheduled.

19. If a timely Cure Objection is not filed (or any such objection has been withdrawn or resolved) and the Supplemental Objection Deadline is not applicable to an Additional Contract, the Assumption Effective Date for any such Additional Contract shall be the date that this notice is filed with the Court.

Dated: May 2, 2019
New York, New York

/s/ Jacqueline Marcus
WEIL, GOTSHAL & MANGES LLP
767 Fifth Avenue
New York, New York 10153
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Ray C. Schrock, P.C.
Jacqueline Marcus
Garrett A. Fail
Sunny Singh

*Attorneys for Debtors
and Debtors in Possession*

Exhibit 1

Additional Contracts

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
1	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	1-800 REMODEL, INC	N/A	SHCLCW1670	N/A	04/15/2021	N/A	N/A	N/A	Cure amount resolved
2	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	1-800 REMODEL, INC	N/A	CW2321864	N/A	04/15/2021	-	-	-	
3	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	1-800 REMODEL, INC	MASTER LEAD AGGREGATION SERVICES AGREEMENT - 2012	SHC-112308	N/A	11/01/2019	-	-	-	
4	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.	A & GS CONTRACTOR INC	FAC - AGS CONTRACTOR INC - MSA 2018	CW2338384	N/A	06/11/2019	-	-	-	
5	N/A	SEARS, ROEBUCK AND CO.	AADVANTAGE NORTHAMERICAN	SUPPLY CHAIN- AADVANTAGE NORTH AMERICAN- SEARS MSA 2015	CW2299401	N/A	01/02/2021	N/A	N/A	N/A	Cure amount resolved
6	N/A	SEARS, ROEBUCK AND CO.	AADVANTAGE NORTHAMERICAN	SUPPLY CHAIN- AADVANTAGE NORTH AMERICAN- WAREHOUSE MSA 2016	CW2309873	N/A	01/02/2021	-	-	-	
7	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	ONLINE ACCERTIFY SOW 6 THREATMATREX	CW2256736	N/A	02/28/2019	N/A	N/A	N/A	Cure amount resolved
8	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	IT - ACCERTIFY - MSAASMSA - 2012	CW2211067	N/A	09/04/2020	-	-	-	
9	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	CUST DIR - ACCERTIFY INC - STATEMENT OF WORK 1 TO MASTER SOFTWARE SERVICES AGREEMENT - 2012	SHCLCW5184	N/A	02/28/2019	-	-	-	
10	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	RETAIL SERVICES - ACCERTIFY - SOW 8 CREDIT CARD CHARGEBACK MANAGEMENT 20140519	CW2278410	N/A	09/04/2020	-	-	-	
11	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	RETAIL SERVICES - ACCERTIFY - SOW 9 GRADIENT BOOSTING MACHINE MODEL - 20151005	CW2306457	N/A	02/28/2019	-	-	-	
12	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	AMENDMENT #1 TO STATEMENT OF WORK #6(EXTEND TERM)	N/A	N/A	2/28/2019	-	-	-	
13	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	AMENDMENT #1TO STATEMENT OF WORK #1(EXTEND TERM)DATED: OCTOBER 5, 2015	N/A	N/A	02/28/2019	-	-	-	
14	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	SOW #15ETHOCADATED: JANUARY 15, 2018	N/A	N/A	2/28/2019	-	-	-	
15	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	SOW #9MACHINE LEARNING GRADIENT BOOSTING MACHINE MODEL	N/A	N/A	2/28/2019	-	-	-	
16	1846	SEARS HOLDINGS MANAGEMENT CORPORATION	ACCERTIFY INC	AMENDMENT #1 TO SOW #8	N/A	N/A	09/04/2020	-	-	-	
17	N/A	SEARS ROEBUCK AND CO. ; SEARS OPERATIONS LLC ; KMART CORPORATION ; KMART OPERATIONS LLC	ACE ROOF COATINGS, INC	MAJOR MAINTENANCE AGREEMENT	N/A	N/A	11/12/2018	-	-	-	
18	N/A	SEARS, ROEBUCK AND CO.	ACME PLATING, INC	LICENSE AGREEMENT MERRITT ISLAND, FL STORE 1175	N/A	N/A	03/31/2019	N/A	N/A	N/A	Cure amount resolved
19	N/A	SHC LICENSED BUSINESS LLC	ACME PLATING, INC	B2B LICENSE AGREEMENT MERRITT ISLAND, FL STORE 1175	N/A	N/A	03/31/2019	-	-	-	
20	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	ACTION TIME, INC.,	FIFTH AMENDMENT (FIFTH AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF APRIL 1, 2015	N/A	N/A	4/30/2020	N/A	N/A	N/A	Cure amount resolved

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
21	N/A	KMART CORPORATION	ACTION TIME, INC.,	FIFTH AMENDMENT (FIFTH AMENDMENT) TO THE LICENSE AGREEMENTS MADE AS OF APRIL 1 2015	N/A	N/A	4/30/2020	-	-	-	
22	N/A	KMART CORPORATION; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	ACTION TIME, INC.,	SEVENTH AMENDMENT TO THE LICENSE AGREEMENT IS MADE AS OF JULY 26, 2016	N/A	N/A	4/30/2020	-	-	-	
23	N/A	SHC LICENSED BUSINESS LLC	ACTION TIME, INC.,	EIGHTH AMENDMENT TO THE LICENSE AGREEMENTI MADE AS OFMARCH 28, 2018	N/A	N/A	04/30/2020	-	-	-	
24	N/A	KMART CORPORATION; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	ACTION TIME, INC.,	EIGHTH AMENDMENT TO THE LICENSE AGREEMENTIS MADE AS OFMARCH 28, 2018	N/A	N/A	04/30/2020	-	-	-	
25	N/A	SEARS, ROEBUCK AND CO.	ACTION TIME, INC.,	THIRD AMENDMENT TO THE LICENSE AGREEMENT IS MADE AS OF DECEMBER 10 2013	N/A	N/A	4/30/2020	-	-	-	
26	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ACTION TIME, INC.,	THIRD AMENDMENT TO THE LICENSE AGREEMENT IS MADE AS OF DECEMBER 10 2013	N/A	N/A	4/30/2020	-	-	-	
27	N/A	KMART CORPORATION; SEARS BRANDS MANAGEMENT CORP.; SEARS, ROEBUCK AND CO.	ADH GUARDIAN USA LLC	SUPPLY AGREEMENT FOR GARAGE DOOR OPENERS	N/A	N/A	Expired	N/A	N/A	N/A	Cure amount resolved
28	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ADOBE SYSTEMS INCORPORATED	MKTG - ONLINE - ADOBE - OMNITURE SO - 2017	CW2331543	N/A	04/30/2020	N/A	N/A	N/A	Cure amount resolved
29	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ADOBE SYSTEMS INCORPORATED	HS - ADOBE - SO WORKBENCH - 2018	CW2336125	N/A	06/30/2019	-	-	-	
30	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ADOBE SYSTEMS INCORPORATED	MKTG - ADOBE - GENERAL TERMS (MASTER ENTERPRISE LICENSING TERMS) - 2016	CW2316531	N/A	07/19/2020	N/A	N/A	N/A	Cure amount resolved
31	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ADOBE SYSTEMS INCORPORATED	CUST EXP - ADOBE - SO FOR TEST AND TARGET 2018	CW2338793	N/A	04/30/2020	-	-	-	
32	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ADOBE SYSTEMS INCORPORATED	HS - ADOBE - SO FOR HS ANALYTICS - 2017	CW2333692	N/A	12/31/2018	-	-	-	
33	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ADOBE SYSTEMS INCORPORATED	HS - ADOBE - PARTS DIRECT SO - 2018	CW2339895	N/A	07/31/2019	-	-	-	
34	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ADOBE SYSTEMS INCORPORATED	ADOBE SALES ORDER	N/A	N/A	09/30/2108	-	-	-	
35	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	AIRES	AIRES RELOCATION SERVICES SOW	CW2331639	N/A	08/30/2020	N/A	N/A	N/A	Cure amount resolved
36	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	AIRES	AIRES RELOCATION SERVICES MASTER SERVICES AGREEMENT	CW2331637	N/A	08/30/2020	-	-	-	
37	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	AJB SOFTWARE DESIGN INC	IT-AJB SOFTWARE DESIGN- MSSA AND AMENDMENT NO.1 TO MSSA-11	SHCLCW1	N/A	10/06/2019	-	-	-	
38	N/A	SEARS HOLDINGS CORPORATION	ALLIED WORLD ASSURANCE CO. LTD	EXCESS LIABILITY	C018491/006	N/A	08/01/2019	-	-	-	
39	N/A	SEARS HOLDINGS CORPORATION	AON CORPORATION	FINANCE - AON CORPORATION - MASTER SERVICES AGREEMENT (INSURANCE RELATED SERVICES) - 2011	CW2315266	N/A	10/30/2019	N/A	N/A	N/A	Cure amount resolved
40	N/A	SEARS HOLDINGS CORPORATION	AON CORPORATION	FINANCE_AON RISK_SOW 4_2017	CW2332798	N/A	10/30/2019	-	-	-	

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
41	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.	AON CORPORATION	APP- AON GLOBAL RISK- RISK PROPERTY SURVEY- 2017	CW2330470	N/A	06/30/2020	-	-	-	
42	N/A	INNOVEL SOLUTIONS, INC.	APOGEE DELIVERY AND INSTALLATION INC	SUPPLY CHAIN - APOGEE DELIVERY AND INSTALLATION, INC. - MSA 2018	CW2339487	N/A	06/10/2023	N/A	N/A	N/A	Cure amount resolved
43	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	APPLAUSE	SOW 04	CW2340081	N/A	9/23/2019	-	-	-	
44	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	APPLAUSE APP QUALITY, INC.	ONLINE - APPLAUSE - MASTER SERVICES AGREEMENT - 2014	CW2288942	N/A	09/23/2021	N/A	N/A	N/A	Cure amount resolved
45	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	APPLAUSE APP QUALITY, INC.	ONLINE - APPLAUSE - SOW 4 - 2018 FUNTIONAL TESTING SERVICES - OCT 2018	CW2340081	N/A	09/23/2019	-	-	-	
46	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	APPLAUSE APP QUALITY, INC.	AMENDMENT #2 TO MASTER SERVICES AGREEMENT(APPLAUSE APP QUALITY, INC. EXTEND TERM) DATED: SEPTEMBER 21, 2018	N/A	N/A	09/23/2021	-	-	-	
47	N/A	SEARS BRANDS MANAGEMENT CORP.	APPLAUSE APP QUALITY, INC.	APPLAUSE STATEMENT OF WORK	N/A	N/A	11/18/2018	-	-	-	
48	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	APPLAUSE APP QUALITY, INC.	N/A	CW2288942	N/A	9/23/2021	-	-	-	
49	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	APPLAUSE APP QUALITY, INC.	ONLINE - APPLAUSE - SOW 4 - 2018 FUNTIONAL TESTING SERVICES - OCT 2018	CW2340081	N/A	9/23/2019	-	-	-	
50	N/A	KMART CORPORATION	APPRISS INC	RS - APPRISS, INC - MASTER SOFTWARE AND SERVICES AGREEMENT - 2010	SHCLCW5424	N/A	12/12/2020	N/A	N/A	N/A	Cure amount resolved
51	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPECT SOFTWARE INC	MSO - ASPECT SOFTWARE - MSA - 2003	CW2308212	N/A	01/17/2020	-	-	-	
52	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPECT SOFTWARE INC	N/A	CW2308212	N/A	1/17/2020	-	-	-	
53	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPECT SOFTWARE INC	N/A	CW2340831	N/A	12/31/2018	-	-	-	
54	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPECT SOFTWARE INC	N/A	CW2340831	N/A	12/31/2018	-	-	-	
55	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPECT SOFTWARE INC	MSO-ASPECT SOFTWARE-SOW-WFM UPGRADE-NOV 2018	CW2340831	N/A	12/31/2018	-	-	-	
56	2406 1919	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPEN REFRIGERANTS, INC	HS-AIRGAS REFRIGERANTS-REFRIGERANT AND RECLAMATION SERVICES AGREEMENT-2013	SHCLCW4031	N/A	10/31/2021	N/A	N/A	N/A	Cure amount resolved
57	2406 1919	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPEN REFRIGERANTS, INC	N/A	31 INTERNAL ID C	N/A	10/31/2021	-	-	-	
58	2406 1919	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPEN REFRIGERANTS, INC	N/A	N/A	N/A	10/31/2021	-	-	-	
59	2406 1919	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPEN REFRIGERANTS, INC	MASTER AGREEMENT	N/A	N/A	N/A	-	-	-	
60	2406 1919	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPEN REFRIGERANTS, INC	AMENDMENT 1	N/A	N/A	N/A	-	-	-	
61	2406 1919	SEARS HOLDINGS CORPORATION	ASPEN REFRIGERANTS, INC	VTER FORM	SHCLCW4031	N/A	10/31/2021	-	-	-	
62	2406 1919	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPEN REFRIGERANTS, INC	AMENDMENT 1	SHCLCW4031	N/A	10/31/2021	-	-	-	
63	2406 1919	SEARS HOLDINGS MANAGEMENT CORPORATION	ASPEN REFRIGERANTS, INC	HS-AIRGAS REFRIGERANTS-REFRIGERANT AND RECLAMATION SERVICES AGREEMENT-2013	SHCLCW4031	N/A	10/31/2021	-	-	-	

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
64	N/A	KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	ATC GROUP SERVICES INC	FAC - ATC GROUP SERVICES - MESA 2018	CW2334694	N/A	01/14/2020	N/A	N/A	N/A	Cure amount resolved
65	N/A	SEARS, ROEBUCK AND CO.	ATEQ CORP	FACILITIES-AUTOMOTIVE-ATEQ TPMS TOOLS LLC- MSA-2017	CW2332784	N/A	10/09/2020	-	-	-	
66	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	AUDITEC SOLUTIONS	FIN - AUDITEC SOLUTIONS - MASTER SERVICES AGREEMENT - 2012	SHCLCW5815	N/A	07/31/2020	N/A	N/A	N/A	Cure amount resolved
67	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	AUDITEC SOLUTIONS	FIN - AUDITEC SOLUTIONS - STATEMENT OF WORK 1 TO MSA - 2012	SHCLCW5816	N/A	12/31/2018	-	-	-	
68	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	AUDITEC SOLUTIONS	FINANCE_AUDITEC SOLUTIONS_SOW 2_ 2016	CW2316286	N/A	07/31/2020	-	-	-	
69	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	AVIS BUDGET CAR RENTAL, LLC	FIN-MSA-AVIS CAR RENTAL-2015	CW2294932	N/A	02/14/2021	N/A	N/A	N/A	Cure amount resolved
70	N/A	SEARS HOLDINGS CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	AVIS BUDGET CAR RENTAL, LLC	FIFTH AMENDMENT TO THE AFFILIATION AGREEMENT DATED OCT 10 2012	N/A	N/A	N/A	-	-	-	
71	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO;; SHC LICENSED BUSINESS LLC	AVIS BUDGET CAR RENTAL, LLC	AFFILIATION AGREEMENT ENTERED INTO AS OF 11/29/2016	N/A	N/A	01/31/2022	-	-	-	
72	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	AVIS BUDGET CAR RENTAL, LLC	EIGHTH AMENDMENT -6/12/2014- TO THE AFFILIATION AGREEMENT(101/2002)	N/A	N/A	1/31/2022	-	-	-	
73	N/A	SHC LICENSED BUSINESS LLC	AVIS BUDGET CAR RENTAL, LLC	LETTER AGREEMENT 3/8/2018 TO AFFILIATION AGREEMENT DATED 11/29/16	N/A	N/A	N/A	-	-	-	
74	N/A	SEARS HOLDINGS CORPORATION; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	AVIS BUDGET CAR RENTAL, LLC	AMENDMENT TO CAR RENTAL FINITE #195-005 DATED OCTOBER 09, 2012 TO AN AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
75	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO;; SHC LICENSED BUSINESS LLC	AVIS BUDGET CAR RENTAL, LLC	AFFILIATION AGREEMENT ENTERED INTO AS OF 11/29/2016	N/A	N/A	01/31/2022	-	-	-	

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
76	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	AVIS BUDGET CAR RENTAL, LLC	EIGHTH AMENDMENT -6/12/2014- TO THE AFFILIATION AGREEMENT(101/2002)	N/A	N/A	1/31/2022	-	-	-	
77	N/A	SEARS HOLDINGS CORPORATION; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	AVIS BUDGET CAR RENTAL, LLC	AMENDMENT TO CAR RENTAL FINITE #195-005 DATED OCTOBER 09, 2012 TO AN AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
78	N/A	SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	AVIS RENT A CAR SYSTEM LLC	AMENDMENTCAR RENTAL MADE AND ENTERED INTO ON _____, 2003, TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
79	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	AVIS RENT A CAR SYSTEM LLC	THIS AMENDMENT (AMENDMENT) IS MADE AND ENTERED INTO ON JUNE 6, 2005AN AFFILIATION AGREEMENT DATED JUNE 30, 2004	N/A	N/A	N/A	-	-	-	
80	N/A	SEARS ROEBUCK ACCEPTANCE CORP.; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL APRIL 30, 2010 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
81	N/A	SEARS ROEBUCK ACCEPTANCE CORP.; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL FEBRUARY 10, 2006 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
82	N/A	SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTALJUNE 6, 2008 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
83	N/A	SEARS ROEBUCK ACCEPTANCE CORP.	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL JUNE 6, 2008 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
84	N/A	SEARS, ROEBUCK DE PUERTO RICO,	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL SEPTEMBER 29, 2010 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
85	N/A	SEARS, ROEBUCK AND CO.	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL SEPTEMBER 29, 2010TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
86	N/A	SEARS ROEBUCK ACCEPTANCE CORP.	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTALSEPTEMBER 29, 2010TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
87	N/A	SEARS ROEBUCK ACCEPTANCE CORP.; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL DECEMBER 17, 2003 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	

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88	N/A	SEARS, ROEBUCK DE PUERTO RICO,	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL DECEMBER 17, 2003 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002 (WITH SEARS NATIONAL BANK)	N/A	N/A	N/A	-	-	-	
89	N/A	SEARS ROEBUCK ACCEPTANCE CORP.; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL JUNE 9 2009, TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
90	N/A	SEARS ROEBUCK ACCEPTANCE CORP.; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	AVIS RENT A CAR SYSTEM LLC	AMENDMENT CAR RENTAL JUNE 9 2009, TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
91	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BALANCE INNOVATIONS	SEARS RETAIL SERVICES - BALANCE INNOVATIONS - MHSSA - SEP 2016	CW2318075	N/A	09/11/2019	N/A	N/A	N/A	Cure amount resolved
92	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BALANCE INNOVATIONS	RETAIL SERVICES - BALANCE INNOVATIONS - SOW 1 - AUTOMATED CASH MGT SOLUTION - SEPT 2016	CW2318091	N/A	09/11/2019	-	-	-	
93	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BCI ACRYLIC BATH SYSTEMS, INC	SECOND AMENDMENT TO SUPPLY AGREEMENT FOR BATHROOM REMODELING PRODUCTS	N/A	N/A	12/31/2019	-	-	-	
94	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BCI ACRYLIC BATH SYSTEMS, INC	SUPPLY AGREEMENT	SHC-113003	N/A	01/05/2021	-	-	-	
95	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	Berch Cabinet Manufacturing, Inc.	Supply Agreement for Cabinetry	N/A	N/A	1/0/1900	-	-	-	
96	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BERTCH CABINET MFG., INC	3RD AMENDMENT TO THE AMENDED AND RESTATED SUPPLY AGREEMENT FOR BATH CABINETRY PRODUCTS	CW2277664	N/A	12/31/2019	-	-	-	
97	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BESTMARK INC	RS - BESTMARK INC - MASTER SERVICES AGREEMENT - 2013	SHCLCW6224	N/A	11/19/2019	N/A	N/A	N/A	Cure amount resolved
98	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BESTMARK INC	CORPORATE SERVICES - BESTMARK, INC. - MYSTERY SHOPPER PROJECT - SOW 3 - 2017	CW2323974	N/A	12/31/2018	-	-	-	
99	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BLUE TRIANGLE TECHNOLOGIES, INC	MASTER SOFTWARE AS A SERVICE MANAGED SERVICES AGREEMENT	N/A	N/A	2/13/2019	N/A	N/A	N/A	Cure amount resolved
100	N/A	SEARS, ROEBUCK DE PUERTO RICO,	BMJ FOOD PUERTO RICO, INC	BMJ FOOD PR INC TENANT LEASE	N/A	N/A	12/31/2028	N/A	N/A	N/A	Cure amount resolved
101	N/A	INNOVEL SOLUTIONS, INC.	BORDER TRANSFER INC	SUPPLY CHAIN- BORDER TRANSFER, INC- MSA 2017	CW2321874	N/A	12/31/2022	N/A	N/A	N/A	Cure amount resolved
102	N/A	INNOVEL SOLUTIONS, INC.	BORDER TRANSFER INC	SUPPLY CHAIN- BORDER TRANSFER OF MA- MSA 2017	CW2321878	N/A	12/31/2022	-	-	-	
103	N/A	INNOVEL SOLUTIONS, INC.	BORDER TRANSFER INC	SUPPLY CHAIN- BORDER TRANSFER OF MA- EXHIBIT (WESTWOOD)	CW2321880	N/A	09/28/2019	-	-	-	
104	N/A	INNOVEL SOLUTIONS, INC.	BORDER TRANSFER INC	SUPPLY CHAIN- BORDER TRANSFER, INC- EXHIBIT (MILPITAS)	CW2321882	N/A	09/28/2019	-	-	-	
105	N/A	INNOVEL SOLUTIONS, INC.	BORDER TRANSFER INC	SUPPLY CHAIN- BORDER TRANSFER, INC- EXHIBIT (FRESNO, CA) 2017	CW2330846	N/A	06/27/2020	-	-	-	

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106	N/A	KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	BRADBURN BRILLER & JOHNSON LLC	FAC-ENVIRONMENTAL CONSULTANTS-BBJ GROUP-MESA	CW2333459	N/A	11/09/2020	N/A	N/A	N/A	Cure amount resolved
107	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BRIDGELINE DIGITAL, INC.	MKTG - HOME SERVICES - BRIDGELINE - MSA - 2017	CW2331241	N/A	08/07/2020	N/A	N/A	N/A	Cure amount resolved
108	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BRIDGELINE DIGITAL, INC.	MKTG - HOME SERVICES - BRIDGELINE - MSSA - 2017	CW2331239	N/A	08/07/2022	-	-	-	
109	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BRIDGELINE DIGITAL, INC.	IAPPS MANAGED HOSTING AGREEMENT	N/A	N/A	8/8/2022	-	-	-	
110	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	BRIGHTCLAIM, LLC(S-G52895)	MASTER SERVICES AGREEMENT	CW2318516	N/A	N/A	N/A	N/A	N/A	Cure amount resolved
111	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BRIGHTEDGE TECHNOLOGIES INC	HS - BRIGHTEDGE - ORDER FORM - 2017	CW2334113	N/A	12/31/2018	N/A	N/A	N/A	Cure amount resolved
112	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BRIGHTEDGE TECHNOLOGIES INC	CUST DIR - BRIGHTEDGE TECHNOLOGIES - MASTER SOFTWARE AS A SERVICES MANAGED SERVICES AGREEMENT - 2012	SHCLCW5916	N/A	03/31/2021	-	-	-	
113	N/A	SEARS HOLDINGS CORPORATION	BRIGHTEDGE TECHNOLOGIES INC	ORDER FORM	CW2341079	N/A	12/31/2019	-	-	-	
114	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BRINQA LLC.	IT - BRINQA LLC - SERVICE AGREEMENT(BRINQA THREAT AND VULNERABILITY)	CW2332253	N/A	9/19/2019	-	-	-	
115	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BRINQA LLC.	IT - BRINQA LLC - EVALUATION AGREEMENT(BRINQA THREAT AND VULNERABILITY) - 2016	CW2320768	N/A	09/12/2019	N/A	N/A	N/A	Cure amount resolved
116	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	BROOKFIELD EQUINOX LLC-701289	MEMBER TECH - BROOKFIELD EQUINOX - SOW 2 - P2PE VALIDATION SERVICES - JUNE 2017	CW2330055	N/A	06/13/2019	N/A	N/A	N/A	Cure amount resolved
117	N/A	KMART CORPORATION; SEARS, ROEBUCK DE PUERTO RICO.	BUD HILLS SECURITY & SERVICES-986062	FIN-BUD HILLS SECURITY AND SERVICES-ARMORED CAR SERVICES AGREEMENT-2012	SHCLCW4146	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
118	N/A	SEARS HOLDINGS CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	BUDGET RENT A CARSYSTEM, INC	AMENDMENT CAR RENTAL 10/9/2012 TO AN AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
119	N/A	SEARS HOLDINGS CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	BUDGET RENT A CARSYSTEM, INC	AMENDMENT CAR RENTAL 10/9/2012 TO AN AFFILIATION AGREEMENT DATED OCTOBER 1, 2002	N/A	N/A	N/A	-	-	-	
120	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	BUDGET TRUCK RENTAL LLC	BUDGET TRUCK RENTAL ADDENDUM 3/9/2010	N/A	N/A	01/31/2022	-	-	-	
121	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	BUDGET TRUCK RENTAL LLC	THIRD AMENDMENT EFFECTIVE AS OF MAY 1, 2010 TO AFFILIATION AGREEMENT DATED OCTOBER 1,2002.	N/A	N/A	N/A	-	-	-	

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122	N/A	SEARS HOLDINGS CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	BUDGET TRUCK RENTAL LLC	FOURTH AMENDMENT TO AFFILIATION AGREEMENT - 2/9/2012.	N/A	N/A	N/A	-	-	-	
123	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	BUDGET TRUCK RENTAL LLC	THIRD AMENDMENT EFFECTIVE AS OF MAY 1, 2010 TO AFFILIATION AGREEMENT DATED OCTOBER 1, 2002.	N/A	N/A	N/A	-	-	-	
124	N/A	SEARS HOLDINGS CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	BUDGET TRUCK RENTAL LLC	FOURTH AMENDMENT TO AFFILIATION AGREEMENT - 2/9/2012.	N/A	N/A	N/A	-	-	-	
125	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	CALIFORNIA COMMERCIAL ROOFING SYSTEMS	SOAR (RETAIL SERVICES) CALIFORNIA COMMERCIAL ROOFING _ SEARS 2451 GREELEY, CO _ ROOF REPLACEMENT 2018 _ RISK	CW2339854	N/A	12/14/2018	N/A	N/A	N/A	Cure amount resolved
126	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION	CARBONITE INC-194946757	PHARMACY CARBONITE ENTERPRISE AGREEMENT 2018	CW2338812	N/A	07/16/2019	N/A	N/A	N/A	Cure amount resolved
127	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	CAREERBUILDER MASTER SERVICES AGREEMENT	CW2319809	N/A	11/08/2019	N/A	N/A	N/A	Cure amount resolved
128	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	CAREERBUILDER SOW AND ORDER FORM 2017	CW2332500	N/A	11/08/2018	-	-	-	
129	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	N/A	CW2319809	N/A	11/8/2019	-	-	-	
130	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	N/A	CW2340591	N/A	11/8/2019	-	-	-	
131	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	N/A	CW2340591	N/A	11/8/2019	-	-	-	
132	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	MASTER AGREEMENT	N/A	N/A	N/A	-	-	-	
133	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	AMENDMENT 1	N/A	N/A	N/A	-	-	-	
134	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CAREERBUILDER, LLC	ORDER FORM	N/A	N/A	N/A	-	-	-	
135	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CARFAX INC	IT - CARFAX INC - DATA TRANSFER FACILITATION AGREEMENT - 2016	CW2319311	N/A	09/28/2030	N/A	N/A	N/A	Cure amount resolved
136	1818	INNOVEL SOLUTIONS, INC.; KMART CORPORATION; SEARS HOME IMPROVEMENT PRODUCT; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	CASCADE WATER SERVICES	FAC - CASCADE WATER SERVICES INC - MASTER SERVICES AGREEMENT - 2012	SHCLCW7063	N/A	02/28/2020	N/A	N/A	N/A	Cure amount resolved
137	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CCH INC	FIN - CCH INC - STRATEGIC ACCOUNT AGREEMENT - 2012	SHCLCW5483	N/A	07/31/2019	N/A	N/A	N/A	Cure amount resolved
138	N/A	SEARS HOLDINGS CORPORATION	CENTRICITY	HOME SERVICES CENTRICITY MSA AND SOW 2017	CW2334174	N/A	12/28/2020	N/A	N/A	N/A	Cure amount resolved

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139	N/A	SEARS HOLDINGS CORPORATION	CENTRICITY	HOME SERVICES CENTRICITY SOW 2	CW2335791	N/A	02/21/2020	-	-	-	
140	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK DE PUERTO RICO	CENTRO TECNICO DE REPARACION DE RELOJES, INC.	LIC AGMT B2B CENTRO TECNICO	N/A	N/A	07/31/2019	N/A	N/A	N/A	Cure amount resolved
141	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CERTONA CORPORATION	IR - CERTONA - MSAASMSA - 20160614	CW2315490	N/A	06/19/2020	N/A	N/A	N/A	Cure amount resolved
142	N/A	INNOVEL SOLUTIONS, INC.	CEVA FREIGHT, LLC	LARGE PARCEL TRANSPORTATION AGREEMENT	N/A	N/A	08/03/2019	N/A	N/A	N/A	Cure amount resolved
143	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CHAR-BROIL LLC	RIDER TO DIRECT TO CUSTOMER TERMS AND CONDITIONS	N/A	N/A	Recurring	N/A	N/A	N/A	Cure amount resolved
144	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CLARABRIDGE INC-695085	MEMBER TECHNOLOGY - CLARABRIDGE - SOW 15 - 2018	CW2336591	N/A	03/31/2019	N/A	N/A	N/A	Cure amount resolved
145	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CLARABRIDGE INC-695085	MEMBER TECH - CLARABRIDGE - MSSA - 2018	CW2339334	N/A	08/16/2019	-	-	-	
146	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CLARABRIDGE INC-695085	MEMBER TECH - CLARABRIDGE - SOCIAL SOW1 - 2018	CW2339343	N/A	08/16/2019	-	-	-	
147	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CLICKSOFTWARE INC.	HS - CLICKSOFTWARE - MSAASA - 2016	CW2318916	N/A	09/30/2021	-	-	-	
148	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CLICKSOFTWARE INC.	HOME SERVICES - CLICK SOFTWARE - SOW - DEC 2018	CW2341195	N/A	2/28/2019	-	-	-	
149	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CLICKSOFTWARE INC.	HS - CLICKSOFTWARE - CHANGE REQUEST - 2018	CW2335582	N/A	09/30/2021	N/A	N/A	N/A	Cure amount resolved
150	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CLICKTALE INC	AMENDMENT 1 TO MASTER SOFTWARE AS A SERVICE MANAGED SERVICES AGREEMENT(EXTEND TERM	N/A	N/A	04/29/2020	-	-	-	
151	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	CORPORATE SERVICES - CALL CENTER SERVICES - ATENTO - MOSA 2017	CW2332515	N/A	10/19/2022	N/A	N/A	N/A	Cure amount resolved
152	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	CORPORATE SERVICES - MSO - REPAIR SPANISH CALLS - ATENTO - SOW 1 - 2018	CW2334567	N/A	01/31/2021	-	-	-	
153	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	CORPORATE SERVICES - MSO - DELIVERY SPANISH CALLS - ATENTO - SOW 5 - 2018	CW2334581	N/A	01/31/2021	-	-	-	
154	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	CORPORATE SERVICES - MSO - ONLINE SPANISH CALLS - ATENTO - SOW 2 - 2018	CW2334571	N/A	01/31/2021	-	-	-	
155	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	CORPORATE SERVICES - MSO - SYW SPANISH CALLS - ATENTO - SOW 6 - 2018	CW2334583	N/A	01/31/2021	-	-	-	
156	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	CORPORATE SERVICES - MSO - PARTS SPANISH CALLS - ATENTO - SOW 3 - 2018	CW2334573	N/A	01/31/2021	-	-	-	
157	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	CORPORATE SERVICES - MSO - CUSTOMER SOLUTIONS SPANISH CALLS - ATENTO - SOW 4 - 2018	CW2334578	N/A	01/31/2022	-	-	-	
158	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	N/A	CW2337460	N/A	1/31/2022	-	-	-	
159	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	CONTACT US TELESERVICES, INC	N/A	CW2337464	N/A	1/31/2022	-	-	-	
160	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DATA PARTNERS INC-63271668	MT DATA PARTNERS, INC. MSA	CW2338257	N/A	06/12/2021	N/A	N/A	N/A	Cure amount resolved

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161	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	DDP ROOFING SERVICES INC	SOAR (RETAIL SERVICES) DDP ROOFING SERVICES INC - SEARS 6875-1365 MIAMI, FL _ ROOF REPLACEMENT_2018 RISK	CW2339038	N/A	11/15/2018	N/A	N/A	N/A	Cure amount resolved
162	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	Decore-active Specialties, Inc.	Supply Agreement for Cabinetry	N/A	N/A	1/0/1900	-	-	-	
163	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	DECORE-ATIVE SPECIALTIES(S-G52919)	FOURTH AMENDMENT TOSUPPLY AGREEMENT FOR CABINETRY PRODUCTS	SHCLCW4138	N/A	N/A	-	-	-	
164	N/A	SEARS, ROEBUCK AND CO.	DENTALCARE PARTNERS, INC.	LICENSE AGREEMENT , JULY 5,2009	N/A	N/A	07/04/2020	N/A	N/A	N/A	Cure amount resolved
165	N/A	SEARS, ROEBUCK AND CO.	DENTALCARE PARTNERS, INC.	AMENDMENT DENTAL FINITE #195-050 11/12/07 TO LICENSE AGREEMENT DATED 6/19/95	N/A	N/A	7/4/2020	-	-	-	
166	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DESCARTES SYSTEMS USA LLC	SC-DESCARTES SYSTEMS-MASTER SOFTWARE AND SERVICES AGREEMENT-2013	SHCLCW1587	N/A	08/28/2019	N/A	N/A	N/A	Cure amount resolved
167	N/A	SEARS, ROEBUCK AND CO.	DIAKON LOGISTICS	SUPPLY CHAIN- DIAKON LOGISTICS- EXHIBITS (CAPE GIRARDEAU, COLUMBIA) 2017	CW2339861	N/A	11/23/2019	N/A	N/A	N/A	Cure amount resolved
168	N/A	SEARS, ROEBUCK AND CO.	DIAKON LOGISTICS	SUPPLY CHAIN- DIAKON LOGISTICS- SEARS MSA 2015	CW2308840	N/A	11/24/2019	-	-	-	
169	N/A	INNOVEL SOLUTIONS, INC.	DIAKON LOGISTICS	SUPPLY CHAIN- DIAKON LOGISTICS- WAREHOUSE MSA 2015	CW2308820	N/A	08/15/2020	-	-	-	
170	N/A	INNOVEL SOLUTIONS, INC.	DIAKON LOGISTICS	SUPPLY CHAIN- DIAKON LOGISTICS- MSA 2015	CW2308822	N/A	08/15/2020	-	-	-	
171	N/A	INNOVEL SOLUTIONS, INC.	DIAKON LOGISTICS	SUPPLY CHAIN- DIAKON LOGISTICS- EXHIBITS (GRANITE CITY, RIVERSIDE)	CW2321884	N/A	09/28/2019	-	-	-	
172	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DIALOGTECH INC	HS - DIALOGTECH - SO - HOME IMPROVEMENT - 2018	CW2338060	N/A	06/30/2020	-	-	-	
173	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DIALOGTECH INC	MASTER SOFTWAREAS A SERVICEMANAGED SERVICES AGREEMENT	CW2253910	N/A	N/A	-	-	-	
174	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DIALOGTECH INC	HS - DIALOGTECH - PARTS DIRECT - SO - 2018	CW2338127	N/A	06/30/2020	N/A	N/A	N/A	Cure amount resolved
175	2235	KMART CORPORATION	DIRECT ENERGY BUSINESS LLC	SHC SEARS CA 2018 - DIRECT ENERGY - SOUTHERN CALIFORNIA EDISON	CW2336258	N/A	11/30/2018	N/A	N/A	N/A	Cure amount resolved
176	2235	SEARS, ROEBUCK AND CO.	DIRECT ENERGY BUSINESS LLC	SHC SEARS CA 2018 - DIRECT ENERGY - PACIFIC GAS AND ELECTRIC CO	CW2334070	N/A	11/30/2018	N/A	N/A	N/A	Cure amount resolved
177	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DOCUSIGN INC	FINANCE - DOCUSIGN INC - CORPORATE EDITION TERMS AND CONDITIONS - 04152013	CW2257443	N/A	04/12/2019	N/A	N/A	N/A	Cure amount resolved
178	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DOCUSIGN INC	FINANCE - DOCUSIGN PROCUREMENT RENEWAL FOR 2018 - APRIL 2018	CW2271504	N/A	04/12/2019	-	-	-	
179	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DOMO INC.	AUTO DOMO SOW 10	CW2337634	N/A	05/14/2019	-	-	-	
180	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DOMO INC.	HS - DOMO INC. - MSA AND SOW 1 (PILOT) - 2015	CW2303302	N/A	07/13/2019	-	-	-	

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181	N/A	SHC LICENSED BUSINESS, LLC	DORIBEL E. PLEITEZ MENJIVAR	LICENSE AGREEMENT	N/A	N/A	7/1/2019	N/A	N/A	N/A	Cure amount resolved
182	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DRIVERS ALERT	FAC-HOME SERVICES-DRIVERS ALERT-MSA-2018	CW2335073	N/A	01/31/2021	N/A	N/A	N/A	Cure amount resolved
183	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	DUN & BRADSTREET	CORPORATE SERVICES - D AND B SUPPLIER RISK MANAGER - ACCOUNTING 2018	CW2303002	N/A	07/31/2021	-	-	-	
184	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	DUNBAR ARMORED INC	FIN-DUNBAR ARMORED, INC-ARMORED CAR SERVICES AGREEMENT-2012	SHCLCW4064	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
185	N/A	N/A	DUNBAR ARMORED INC	KMART INVOICING - DUNBAR	CW2324442	N/A	12/31/2018	-	-	-	
186	N/A	N/A	DUNBAR ARMORED INC	SEARS INVOICING - DUNBAR	CW2324439	N/A	12/31/2018	-	-	-	
187	N/A	N/A	DUNBAR ARMORED INC	SAC INVOICING - HOFFMAN	CW2324451	N/A	12/31/2018	-	-	-	
188	N/A	N/A	DUNBAR ARMORED INC	HOME SERVICES INVOICING - CHILDERS - DUNBAR	CW2324457	N/A	12/31/2018	-	-	-	
189	N/A	KMART CORPORATION; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	DURO BAG MFG CO	SUPPLIES - DURO HILEX POLY, LLC - PTC - 2015	CW2302532	N/A	07/31/2019	N/A	N/A	N/A	Cure amount resolved
190	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS INC _ KMART 7783 SAN JUAN, PR _ RTU REPLACEMENT 2018 _ RISK	CW2339619	N/A	12/10/2018	N/A	N/A	N/A	Cure amount resolved
191	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS _ KMART 3882 MAYAGUEZ, PR _ RTU REPLACEMENT 2018 _ RISK	CW2339598	N/A	12/10/2018	-	-	-	
192	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS INC _ KMART 7768 GUAYNABO, PR _ RTU REPLACEMENT 2018 _ RISK	CW2339610	N/A	12/10/2018	-	-	-	
193	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTOR INC _ KMART 7419 CAGUAS, PR _ RTU REPLACEMENT 2018 _ RISK	CW2339607	N/A	12/10/2018	-	-	-	

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194	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS INC _ KMART 7741 PONCE, PR _ RTU REPLACEMENT 2018 _ RISK	CW2339621	N/A	12/10/2018	-	-	-	
195	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS INC _ KMART 7788 BAYAMON, PR _ RTU REPLACEMENT 2018 _ RISK	CW2339624	N/A	12/10/2018	-	-	-	
196	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS INC _ SEARS 1915 BAYAMON, PR _ HVAC COOLING TOWER REPAIR 2018 _ RISK	CW2339728	N/A	12/05/2018	-	-	-	
197	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS INC _ KMART 4494 TRUJILLO ALTO. PR _ RTU REPLACEMENT 2018 _ RISK	CW2339747	N/A	12/17/2018	-	-	-	
198	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	E V MECHANICAL CONTRACTORS INC	SOAR (RETAIL SERVICES) EV MECHANICAL CONTRACTORS INC _ KMART 7784 VEGA ALTA, PR _ RTU REPLACEMENT 2018 _ RISK	CW2339822	N/A	12/28/2018	-	-	-	
199	N/A	SEARS, ROEBUCK AND CO.	ECHO MEDIA CORPORATION	PROMOTIONAL _ MARKETING SERVICES FORM AGREEMENT	-51294_0_20090	N/A	Not Applicable	N/A	N/A	N/A	Cure amount resolved
200	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ECS GLOBAL INC	IT - ECS GLOBAL INC - AMENDMENT 04 TO SECOND AMENDED AND RESTATED SCHEDULE 1 TO THE SOFTWARE LICENSE AGREEMENT - 2016	CW2309520	N/A	02/28/2019	N/A	N/A	N/A	Cure amount resolved
201	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ECS GLOBAL INC	MEMBER TECH - ECS GLOBAL INC. MASTER CONSULTING AGREEMENT - NOVEMBER 1998	CW2332418	N/A	11/25/2018	-	-	-	
202	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ECS GLOBAL INC	MEMBER TECHNOLOGY - ECS GLOBAL - SOW 20 - ECS PROJECT - OCTOBER 2017	CW2332386	N/A	10/16/2020	-	-	-	

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203	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ECS GLOBAL INC	MT - ECS - MSAAS MANAGED SERVICES AGREEMENT - APRIL 2018	CW2336949	N/A	04/23/2023	-	-	-	
204	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ECS GLOBAL INC	MT - ECS GLOBAL - SOW 1 -HOSTING OF ECS - APRIL 2018	CW2336991	N/A	04/30/2019	-	-	-	
205	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ELEVATE LIMITED	CORPORATE SERVICES - GLOBAL COMPLIANCE 3RD PARTY AUDITS AGREEMENT - 2016	CW2319036	N/A	07/31/2019	N/A	N/A	N/A	Cure amount resolved
206	N/A	SEARS, ROEBUCK AND CO.	EMC CORPORATION	SOW #16	N/A	N/A	6/11/2019	N/A	N/A	N/A	Cure amount resolved
207	N/A	SEARS, ROEBUCK AND CO.	ENCOMPASS SUPPLY CHAIN SOLUTIONS, INC.	PURCHASE AGREEMENT	N/A	N/A	Recurring	N/A	N/A	N/A	Cure amount resolved
208	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	FAC-AVISTA ADVANTAGE INC-FACILITY IQ CLIENT SERVICE AGREEMENT-2002	SHCLCW1676	N/A	01/31/2019	-	-	-	
209	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	FAC - ECOVA - SEARS ENERGY MANAGEMENT - 2016	CW2310915	N/A	01/31/2019	-	-	-	
210	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	FAC - ECOVA - KMART ENERGY MGMT - 2016	CW2310918	N/A	01/31/2019	-	-	-	
211	N/A	N/A	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	ECOVA - KMART INVOICE	CW2310771	N/A	01/31/2019	-	-	-	
212	N/A	N/A	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	ECOVA - SEARS INVOICE	CW2310769	N/A	01/31/2019	-	-	-	
213	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	N/A	SHCLCW1676	N/A	1/31/2019	N/A	N/A	N/A	Cure amount resolved
214	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	N/A	CW2310915	N/A	1/31/2019	-	-	-	
215	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	MASTER AGREEMENT	N/A	N/A	N/A	-	-	-	
216	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 1	N/A	N/A	N/A	-	-	-	
217	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 2	N/A	N/A	N/A	-	-	-	
218	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 3	N/A	N/A	N/A	-	-	-	
219	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 4	N/A	N/A	N/A	-	-	-	
220	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 5	N/A	N/A	N/A	-	-	-	
221	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 6	N/A	N/A	N/A	-	-	-	
222	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 7	N/A	N/A	N/A	-	-	-	
223	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 8	N/A	N/A	N/A	-	-	-	
224	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 9	N/A	N/A	N/A	-	-	-	
225	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ENGIE INSIGHT SERVICES INC. F/K/A ECOVA, INC	AMENDMENT 10	N/A	N/A	N/A	-	-	-	
226	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	EPSILON DATA MANAGEMENT LLC	SYW - EPSILON - AMENDMENT 1 - 2018	CW2334784	N/A	01/31/2019	N/A	N/A	N/A	Cure amount resolved
227	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	EPSILON DATA MANAGEMENT LLC	IT-EPSILON DATA MANAGEMENT, LLC- MSA-10	SHCLCW23	N/A	04/12/2020	-	-	-	
228	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	EPSILON DATA MANAGEMENT LLC	MASTER SOFTWARE AND SERVICES AGREEMENT (DATED: APRIL 13, 2010)	SHC-75879	N/A	12/17/2018	-	-	-	

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229	N/A	INNOVEL SOLUTIONS, INC.	ESTES FORWARDING WORLDWIDE, LLC	WAREHOUSE SERVICE AGREEMENT	N/A	N/A	11/13/2019	N/A	N/A	N/A	Cure amount resolved
230	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	FAR EAST WATCHCASES (U.S.A.) LTD	LICENSE AGREEMENT FAR EAST WATCHCASES (U.S.A.) LTD	N/A	N/A	12/31/2018	N/A	N/A	N/A	Cure amount resolved
231	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	FEEDVISOR, INC	MKTG - HOME SERVICES - FEEDVISOR - SOW 2 - 2018	CW2340474	N/A	10/31/2019	N/A	N/A	N/A	Cure amount resolved
232	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	FEEDVISOR, INC	N/A	CW2340474	N/A	10/31/2019	-	-	-	
233	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	FEEDVISOR, INC	N/A	CW2340474	N/A	10/31/2019	-	-	-	
234	N/A	SHC LICENSED BUSINESS, LLC	FORMAL HEADQUARTERS INTERNATIONAL, LLC	LICENSE AGREEMENT	N/A	N/A	3/31/2018	-	-	-	
235	N/A	SHC LICENSED BUSINESS, LLC	FORMAL HEADQUARTERS INTERNATIONAL, LLC	FIRST AMENDMENT TO LICENSE AGREEMENT	N/A	N/A	3/31/2020	-	-	-	
236	N/A	SEARS, ROEBUCK AND CO.	G4S (GUAM)	FIN-G4S (GUAM) ARMORED SERVICES- ARMORED CAR SERVICES AGREEMENT 2016	CW2317048	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
237	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GENESYS TELECOMMUNICATIONS LABORATORIES, INC.	AMENDMENT #2	CW2317854	N/A	09/03/2022	N/A	N/A	N/A	Cure amount resolved
238	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GENESYS TELECOMMUNICATIONS LABORATORIES, INC.	N/A	CW2311522	N/A	9/30/2022	-	-	-	
239	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GITLAB INC	IT-GITLAB-MSSA-SEPT 2016	CW2318561	N/A	09/13/2021	N/A	N/A	N/A	Cure amount resolved
240	N/A	SEARS, ROEBUCK DE PUERTO RICO.	GLOBAL DIRECT LOGISTICS	SUPPLY CHAIN- GDX LOGISTICS- 2017	CW2329690	N/A	04/30/2020	N/A	N/A	N/A	Cure amount resolved
241	N/A	SEARS HOLDINGS MANAGEMENT CORP	GORSKI-OSTERHOLDT INC	MASTER SOFTWARE AND SERVICES AGREEMENT	N/A	N/A	N/A	-	-	-	
242	N/A	SEARS HOLDINGS MANAGEMENT CORP	GORSKI-OSTERHOLDT INC	SOFTWARE AND SERVICES SOW	N/A	N/A	N/A	-	-	-	
243	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GORSKI-OSTERHOLDT INC	MASTER SOFTWARE AND SERVICES AGREEMENT	N/A	N/A	Not Applicable	N/A	N/A	N/A	Cure amount resolved
244	N/A	INNOVEL SOLUTIONS, INC.	GREEN MOUNTAIN TECHNOLOGY, LLC	SECOND AMENDMENT TO THE AUDIT SERVICES AGREEMENT	CW2303192	N/A	01/31/2021	N/A	N/A	N/A	Cure amount resolved
245	N/A	SEARS ROEBUCK AND CO. ; SEARS OPERATIONS LLC ; KMART CORPORATION ; KMART OPERATIONS LLC	GREENWOOD INDUSTRIES, INC	MAJOR MAINTENANCE AGREEMENT	N/A	N/A	3/31/2018	-	-	-	
246	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GROUP O, INC	SAC-GROUP O-PREPAID CARDS-2016	CW2319782	N/A	10/01/2019	N/A	N/A	N/A	Cure amount resolved
247	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GROUP O, INC	AUTOMOTIVE-GROUP O, INC.- STATEMENT OF WORK #1	CW2319782	N/A	10/01/2019	-	-	-	
248	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GROUP O, INC	AUTOMOTIVE-GROUP O, INC.- AMENDMENT #1	N/A	N/A	10/01/2019	-	-	-	
249	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	GXS INC-693469	IT OPS-GXS-INOVIS-SOW 2009-01-2009	SHCLCW3347	N/A	12/31/2019	N/A	N/A	N/A	Cure amount resolved
250	N/A	SEARS, ROEBUCK AND CO.	GXS INC-693469	IT OPS-GXS-INOVIS-MASTER SERVICES AGREEMENT-2000	SHCLCW3345	N/A	12/31/2019	-	-	-	
251	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	GXS INC-693469	IT OPS-GXS-INOVIS-SOW 2008-01-2008	SHCLCW3346	N/A	12/31/2019	-	-	-	
252	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	GXS INC-693469	IT GXS EDI VAN (VALUE ADDED NETWORK) SERVICES 2016	CW2320370	N/A	01/17/2019	-	-	-	

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253	N/A	SEARS, ROEBUCK AND CO.	HAIRSTYLISTS MANAGEMENT SYSTEMS, INC	THIS FIFTEENTH AMENDMENT (FIFTEENTH AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF MARCH 27, 2018 BY HAIRSTYLISTS MANAGEMENT SYSTEMS, INC., A MINNESOTA CORPORATION, (LICENSEE) AND SHC LICENSED BUSINESS LLC., A DELAWARE LIMITED LIABILITY CORP.	N/A	N/A	04/30/2020	N/A	N/A	N/A	Cure amount resolved
254	N/A	SEARS, ROEBUCK AND CO.	HAIRSTYLISTS MANAGEMENT SYSTEMS, INC	THIS FIFTEENTH AMENDMENT (FIFTEENTH AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF MARCH 27, 2018 BY HAIRSTYLISTS MANAGEMENT SYSTEMS, INC., A MINNESOTA CORPORATION, (LICENSEE) AND SHC LICENSED BUSINESS LLC., A DELAWARE LIMITED LIABILITY CORP.	N/A	N/A	04/30/2020	-	-	-	
255	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.	HAWTHORNE PACIFIC CORP	FAC - HAWTHORNE PACIFIC CORP - MSA - 2018	CW2337586	N/A	05/14/2019	N/A	N/A	N/A	Cure amount resolved
256	N/A	SEARS, ROEBUCK DE PUERTO RICO,	HEARING ASSOCIATES, INC	THIS FOURTH AMENDMENT (AMENDMENT) IS MADE AND ENTERED INTO ON MAY 22, 2015 BY AND BETWEEN SEARS ROEBUCK DE PUERTO RICO, INC. A DELAWARE CORPORATION ("SEARS"), AND HEARING ASSOCIATES, INC., A PUERTO RICO CORPORATION, DOING BUSINESS UNDER THE NAME MIR	N/A	N/A	08/31/2020	N/A	N/A	N/A	Cure amount resolved
257	N/A	SEARS, ROEBUCK DE PUERTO RICO,	HEARING ASSOCIATES, INC	THIS AMENDMENT (AMENDMENT) IS MADE AND ENTERED INTO ON NOVEMBER 7, 2007, BY AND BETWEEN SEARS ROEBUCK DE PUERTO RICO, INC. , A DELAWARE CORPORATION (SEARS), AND HEARING ASSOCIATES, INC., A PUERTO RICO CORPORATION, DOING BUSINESS UNDER THE N	N/A	N/A	8/31/2020	-	-	-	
258	N/A	SEARS, ROEBUCK DE PUERTO RICO,	HEARING ASSOCIATES, INC	THIS LICENSE AGREEMENT ('AGREEMENT') IS MADE AND ENTERED INTO ON JANUARY 1, 2005 (THE 'EFFECTIVE DATE') BY SEARS ROEBUCK DE PUERTO RICO, INC. , A DELAWARE CORPORATION (SEARS), AND HEARING ASSOCIATES, INC., A PUERTO RICO CORPORATION, DOING BUSINE	N/A	N/A	8/31/2020	-	-	-	

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259	N/A	SEARS, ROEBUCK DE PUERTO RICO, INC.	HEARING ASSOCIATES, INC	THIS FOURTH AMENDMENT (AMENDMENT) IS MADE AND ENTERED INTO ON MAY 22, 2015 BY AND BETWEEN SEARS ROEBUCK DE PEURTO RICO, INC. A DELAWARE CORPORATION ("SEARS"), AND HEARING ASSOCIATES, INC., A PUERTO RICO CORPORATION, DOING BUSINESS UNDER THE NAME MIR	N/A	N/A	08/31/2020	-	-	-	
260	N/A	SHC LICENSED BUSINESS LLC	HEAVENLY JEWELRY ON EARTH, LLC	THIS SECOND AMENDMENT (SECOND AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF AUGUST 1, 2018 BY HEAVENLY JEWELRY ON EARTH, LLC, A FLORIDA LIMITED LIABILITY COMPANY (LICENSEE) AND SHC LICENSED BUSINESS LLC, A DELAWARE LIMITED LIABILITY COMPANY	N/A	N/A	08/25/2020	N/A	N/A	N/A	Cure amount resolved
261	N/A	SHC LICENSED BUSINESS LLC	HEAVENLY JEWELRY ON EARTH, LLC	THIS SECOND AMENDMENT (SECOND AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF AUGUST 1, 2018 BY HEAVENLY JEWELRY ON EARTH, LLC, A FLORIDA LIMITED LIABILITY COMPANY (LICENSEE) AND SHC LICENSED BUSINESS LLC, A DELAWARE LIMITED LIABILITY COMPANY	N/A	N/A	08/25/2020	-	-	-	
262	N/A	SEARS, ROEBUCK AND CO.	HELEN ZAROU AND JOSEPH ZAROU	JOHNS WATCH & JEWELRY REPAIR- AMEND-EXP 08 31 19	N/A	N/A	08/31/2019	-	-	-	
263	N/A	SEARS, ROEBUCK AND CO.	HENNESSY INDUSTRIES INC-5549159	SHC-FACILITIES-AUTOMOTIVE-HENNESSY-LIFTS 2018	CW2336206	N/A	05/11/2019	N/A	N/A	N/A	Cure amount resolved
264	N/A	SEARS, ROEBUCK AND CO.	HENNESSY INDUSTRIES INC-5549159	RO-HENNESSY INDUSTRIES-MASTER PURCHASE AGREEMENT-2018	SHCLCW3158	N/A	04/30/2021	-	-	-	
265	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	HEWLETT PACKARD FINANCIAL SERVICES-90754292	MEMBER TECH - HPFS - 3 PAR LEASE - FEBRUARY 2016	CW2309165	N/A	01/31/2019	N/A	N/A	N/A	Cure amount resolved
266	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	HIGHJUMP SOFTWARE INC	SC PUR PRO-HIGHJUMP SOFTWARE INC-MASTER SOFTWARE AND SERVICES AGREEMENT-2013	SHCLCW2066	N/A	12/31/2018	N/A	N/A	N/A	Cure amount resolved
267	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	HORCHER CONSTRUCTION INC	REAL ESTATE AND LICENSED BUSINESSES - HORCHER - MSA - 2013	CW2253946	N/A	09/30/2021	N/A	N/A	N/A	Cure amount resolved
268	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	HORCHER CONSTRUCTION INC	N/A	CW2253946	N/A	9/30/2021	-	-	-	
269	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	HUEN ELECTRIC INC	TRANSITION TO MONTH TO MONTH	SHCLCW1632	N/A	mo-to-mo	N/A	N/A	N/A	Cure amount resolved
270	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	HUEN ELECTRIC INC	FIRST AMENDMENT TO MSA	CW2258334	N/A	7/31/2023	-	-	-	
271	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	HUEN ELECTRIC INC	FIRST AMENDMENT TO MSA	CW2258334	N/A	7/31/2023	-	-	-	
272	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	IDENTIFIX INC-181073107	FAC - IDENTIFIX INC - SUBSCRIPTION AGREEMENT - 2013	CW2326493	N/A	02/28/2019	N/A	N/A	N/A	Cure amount resolved

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273	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY	ECOM - ILLINOIS DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY - EDGE TAX CREDIT AGREEMENT - 2012	SHCLCW6432	N/A	10/25/2022	-	-	-	
274	N/A	SEARS HOLDINGS CORPORATION	INDEED, INC.	INDEED RESUME SUBSCRIPTION INSERTION ORDER - ANNUAL 2018	N/A	N/A	None	-	-	-	
275	N/A	SEARS HOLDINGS CORPORATION	INDEED, INC.	INDEED TARGETED ADS (APPLY) INSERTION ORDER	N/A	N/A	None	-	-	-	
276	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	INFOBLOX, INC	IT OPS-INFOBLOX INC-MASTER SERVICES AGREEMENT-2012	SHCLCW1478	N/A	12/21/2020	N/A	N/A	N/A	Cure amount resolved
277	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	INTELEX TECHNOLOGIES INC	COMPLIANCE-INTELEX-SAAS AGREEMENT - DEC 2017	CW2334011	N/A	12/31/2018	N/A	N/A	N/A	Cure amount resolved
278	N/A	SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	INTERNATIONAL CRUISE & EXCURSIONS	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Cure amount resolved
279	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	INTERNATIONAL PACKAGING GROUP	N/A	CW2333490	N/A	PERPETUAL	N/A	N/A	N/A	Cure amount resolved
280	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	INTERNATIONAL PACKAGING GROUP	N/A	CW2333490	N/A	PERPETUAL	-	-	-	
281	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	INTERNATIONAL PACKAGING GROUP	AMENDMENT #3 TO IPS FOR PREPETITION RELEASE OF DEBT	CW2333490	N/A	1/31/2021	-	-	-	
282	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ION INTERACTIVE INC	HS - I-ON INTERACTIVE - MASTER SOFTWARE MANAGED SERVICES AGREEMENT - 2012	SHCLCW5262	N/A	07/31/2019	N/A	N/A	N/A	Cure amount resolved
283	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ION INTERACTIVE INC	HOME SERVICES - ION INTERACTIVE - SOW 2 - 2016	CW2318409	N/A	08/31/2019	-	-	-	
284	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	IRON MOUNTAIN INFORMATION MANAGEMENT INC.	CORPORATE SERVICES - IRON MOUNTAIN MASTER SERVICES AGREEMENT 2017	CW2323595	N/A	02/26/2020	N/A	N/A	N/A	Cure amount resolved
285	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	IRON MOUNTAIN INFORMATION MANAGEMENT INC.	CORPORATE SERVICES - IRON MOUNTAIN INFORMATION MANAGEMENT LLC - SOW 2 - 2017	CW2323754	N/A	02/29/2020	-	-	-	
286	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	IRON MOUNTAIN INFORMATION MANAGEMENT INC.	CORPORATE SERVICES - IRON MOUNTAIN INFORMATION MANAGEMENT LLC - SOW 3 - 2017	CW2323757	N/A	02/29/2020	-	-	-	
287	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	IRON MOUNTAIN INFORMATION MANAGEMENT INC.	CORPORATE SERVICES - IRON MOUNTAIN INFORMATION MANAGEMENT - SOW 1 - 2017	CW2323746	N/A	02/29/2020	-	-	-	
288	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	IRON MOUNTAIN INFORMATION MANAGEMENT INC.	MASTER SOFTWARE AND SERVICES AGREEMENT	N/A	N/A	2/26/2020	-	-	-	
289	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	IRON MOUNTAIN INFORMATION MANAGEMENT INC.	STATEMENT OF WORK	N/A	N/A	N/A	-	-	-	
290	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	IRWPR (INTERNATIONAL ROOFING & WATERPROOFING	SOAR (RETAIL SERVICES) IRWPR _ KMART 7419 CAGUAS, PR _ ROOF REPLACEMENT 2018 _ RISK	CW2339974	N/A	12/03/2018	N/A	N/A	N/A	Cure amount resolved
291	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.	JEFFCOAT MECHANICAL SERVICE INC	MASTER AGREEMENT	N/A	N/A	7/11/2018	N/A	N/A	N/A	Cure amount resolved

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292	N/A	SHC LICENSED BUSINESS LLC	JOHN'S WATCH & JEWELRY REPAIR, INC.	THIRD AMENDMENT TO LICENSE AGREEMENT. STORE LOCATIONS 1285, 1355, 1456	N/A	N/A	8/31/2019	N/A	N/A	N/A	Cure amount resolved
293	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	KAIROS PARTNERS LLC	MT-KARIOS PARTNERS-LETTER OF ENGAGEMENT - FEB 2018	CW2335848	N/A	02/25/2020	N/A	N/A	N/A	Cure amount resolved
294	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	KENSHOO, INC.	LICENSE AGREEMENT	N/A	N/A	9/14/2011	N/A	N/A	N/A	Cure amount resolved
295	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	KENSHOO, INC.	SEVENTH AMENDMENT TO SERVICES AGREEMENT	N/A	N/A	2/28/2018	-	-	-	
296	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	KEYMETRIC, INC.	AUTOMOTIVE-KEYMETRIC, INC.-MSA (004)	CW2331003	N/A	7/1/2019	-	-	-	
297	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	KEYMETRIC, INC.	AUTOMOTIVE-KEYMETRIC, INC.-MSA	CW2331003	N/A	7/1/2019	-	-	-	
298	N/A	SEARS ROEBUCK AND CO.	KHANH C. PHAM	LICENSE AGREEMENT WITH KHANH C. PHAM	N/A	N/A	6/30/2015	N/A	N/A	N/A	Cure amount resolved
299	N/A	SHC LICENSED BUSINESS, LLC	KHANH C. PHAM	SECOND AMENEDMENT TO LICENSE AGREEMENT	N/A	N/A	6/30/2019	-	-	-	
300	N/A	SEARS BRANDS MANAGEMENT CORP.	KPITARGET	MASTER SERVICES AGREEMENT	N/A	N/A	01/31/2019	N/A	N/A	N/A	Cure amount resolved
301	2001	SEARS, ROEBUCK AND CO.	LAKIN TIRE WEST INC.	AUTO-LAKIN TIRE WEST-TIRE REMOVAL AND DISPOSAL-MSA-2016	CW2320625	N/A	12/31/2020	N/A	N/A	N/A	Cure amount resolved
302	N/A	KMART CORPORATION	LANGUAGE LINE	N/A	N/A	N/A	REOCCURING	N/A	N/A	N/A	Cure amount resolved
303	N/A	KMART CORPORATION	LANGUAGE LINE	LANGUAGE LINE	N/A	N/A	Not Applicable	-	-	-	
304	N/A	INNOVEL SOLUTIONS, INC.; KMART CORPORATION; SEARS HOME IMPROVEMENT PRODUCT; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	LERCH BATES INC	FAC - LERCH BATES INC - MASTER SERVICES AGREEMENT (VERTICAL TRANSPORTATION INSPECTION SERVICES) - 2013	SHCLCW7053	N/A	12/31/2021	N/A	N/A	N/A	Cure amount resolved
305	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.	LERCH BATES INC	FAC - LEARCH BATES INC - MSA - 2018	CW2337590	N/A	04/03/2019	-	-	-	
306	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	LERCH BATES INC	FAC - LERCH BATES - THIRD AMENDMENT TO MSA	CW2335061	N/A	02/01/2020	-	-	-	
307	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LEVELWING MEDIA, LLC	AUTOMOTIVE-LEVELWING MEDIA, LLC-SOW #2	N/A	N/A	8/31/2019	-	-	-	
308	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LEVELWING MEDIA, LLC	AUTOMOTIVE-LEVELWING MEDIA, LLC-MSA	CW2301569	N/A	8/31/2019	-	-	-	
309	N/A	SEARS HOLDINGS CORPORATION	LEXISNEXIS RISK SOLUTIONS	LN NON-FCRA APPLICATION AND AGREEMENT	N/A	N/A	9/1/2019	N/A	N/A	N/A	Cure amount resolved
310	N/A	SEARS HOLDINGS CORPORATION	LEXISNEXIS RISK SOLUTIONS	LN NON-FCRA APPLICATION AND AGREEMENTAMENDMENT SCHEDULE A	N/A	N/A	9/1/2019	-	-	-	
311	N/A	SEARS HOLDINGS CORPORATION	LEXISNEXIS RISK SOLUTIONS	SCHEDULE A AMENDMENTRISK MANAGEMENT SOLUTIONS	N/A	N/A	10/1/2012	-	-	-	
312	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LEXISNEXIS RISK SOLUTIONS	APPLICATION SERVICE PROVIDER&INFORMATION TECHNOLOGY SERVICES AGREEMENT	N/A	N/A	N/A	-	-	-	

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313	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LEXISNEXIS RISK SOLUTIONS	APPLICATION SERVICE PROVIDER&INFORMATION TECHNOLOGY SERVICES AGREEMENT	N/A	N/A	N/A	-	-	-	
314	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LEXISNEXIS RISK SOLUTIONS	LEXIS ADVANCE SUBSCRIPTION AMENDMENT FOR CORPORATE LEGAL	N/A	N/A	6/30/2019	-	-	-	
315	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LEXISNEXIS RISK SOLUTIONS	FIXED PRICE AMENDMENT	N/A	N/A	5/31/2018	-	-	-	
316	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LEXISNEXIS RISK SOLUTIONS	LEXIS FOR MICROSOFT OFFICE ADDENDUM	N/A	N/A	12/7/2012	-	-	-	
317	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LIAISON TECHNOLOGIES	IT - LIAISON - MSA - 2010	CW2279520	N/A	11/10/2019	N/A	N/A	N/A	Cure amount resolved
318	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LIAISON TECHNOLOGIES	KCD LIAISON SOW EDI 2014	CW2279523	N/A	05/31/2020	-	-	-	
319	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LIAISON TECHNOLOGIES	SUPPLY CHAIN LIAISON SOW 2 2015	CW2302779	N/A	11/10/2019	-	-	-	
320	N/A	SEARS BRANDS MANAGEMENT CORP.	LIAISON TECHNOLOGIES	KCD LIAISON SOW EDI 2014	N/A	N/A	05/31/2020	-	-	-	
321	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LIAISON TECHNOLOGIES	N/A	CW2302779	N/A	8/31/2021	-	-	-	
322	N/A	SEARS HOLDINGS CORPORATION; SEARS, ROEBUCK AND CO.	LIBERTY TIRE RECYCLING	AUTO-LIBERTY TIRE RECYCLING-TIRE REMOVAL AND DISPOSAL SERVICES-MSA-2016	CW2320599	N/A	12/31/2020	N/A	N/A	N/A	Cure amount resolved
323	1865	KMART CORPORATION	LITTLE CAESAR ENTERPRISES, INC	N/A	N/A	N/A	9/30/2019	N/A	N/A	N/A	Cure amount resolved
324	1865	KMART CORPORATION	LITTLE CAESAR ENTERPRISES, INC	SECOND ADDENDUM TO FRANCHISE AGREEMENT	N/A	N/A	09/30/2021	-	-	-	
325	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	LL D INC RESPOND NEW MEXICO	FIN-LL AND D, INC-ARMORED CAR SERVICES AGREEMENT-2012	SHCLCW4067	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
326	N/A	N/A	LL D INC RESPOND NEW MEXICO	SEARS MONTHLY BILLING - LL D, INC	CW2314128	N/A	04/30/2019	-	-	-	
327	N/A	N/A	LL D INC RESPOND NEW MEXICO	KMART MONTHLY BILLING - LL D, INC	CW2314178	N/A	04/30/2019	-	-	-	
328	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LOGICBROKER, INC	HOME SERVICES LOGIC BROKER SAAS AND SOW	CW2331038	N/A	07/27/2021	N/A	N/A	N/A	Cure amount resolved
329	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LOGICBROKER, INC	ONLINE LOGICBROKER SOW 2018	CW2334618	N/A	01/11/2021	-	-	-	
330	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LOGICBROKER, INC	VENDOR DIRECT MANAGED SERVICES SOW	N/A	N/A	7/28/2020	-	-	-	
331	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.	LOOMIS ARMORED US LLC	FIN-LOOMIS ARMORED US, LLC-ARMORED CAR SERVICES AGREEMENT-2012	SHCLCW4029	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
332	N/A	N/A	LOOMIS ARMORED US LLC	LOOMIS - SEARS AUTO CENTER - GEORGE HOFFMAN	CW2317124	N/A	04/30/2019	-	-	-	
333	N/A	N/A	LOOMIS ARMORED US LLC	LOOMIS - SEARS FULL LINE STORES - MICHELE RADLOFF	CW2317145	N/A	04/30/2019	-	-	-	
334	N/A	N/A	LOOMIS ARMORED US LLC	LOOMIS - CALL CENTER - MATTHEW PENNIES	CW2317143	N/A	04/30/2019	-	-	-	
335	N/A	N/A	LOOMIS ARMORED US LLC	LOOMIS - HOME SERVICES - WILLIAM CHILDERS	CW2317150	N/A	04/30/2019	-	-	-	
336	N/A	N/A	LOOMIS ARMORED US LLC	LOOMIS - KMART - BOB EASTERBROOK	CW2317148	N/A	04/30/2019	-	-	-	
337	N/A	N/A	LOOMIS ARMORED US LLC	LOOMIS - IN HOME - ALLEN NG	CW2317112	N/A	04/30/2019	-	-	-	

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338	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LOOMIS ARMORED US LLC	N/A	CR41033-V13	N/A	4/30/2019	-	-	-	
339	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	LOOMIS ARMORED US LLC	N/A	CR41033-V13	N/A	4/30/2019	-	-	-	
340	N/A	SEARS, ROEBUCK AND CO.	MARR BROS INC	HOME SERVICES - MARR BROS - MPA 2018	CW2336051	N/A	02/07/2022	N/A	N/A	N/A	Cure amount resolved
341	N/A	SEARS, ROEBUCK AND CO.	MARYLAND WHOLESALE AUTOMOTIVE, LLC, DBA THE KEYLESS SHOP AT SEARS	MARYLAND WHOLESALE DBA KEYLESS SHOP AT SEARS - AGREEMENT FEX	N/A	N/A	12/31/2019	-	-	-	
342	1913	INNOVEL SOLUTIONS, INC.; K MART CORPORATION; K MART HOLDING CORPORATION; PRIVATE BRANDS, LTD.; SEARS BUYING SERVICES, INC.; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO,	MATSON NAVIGATION COMPANY, INC.	SERVICE CONTRACT	C3077	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
343	N/A	SEARS, ROEBUCK DE PUERTO RICO,	MAYAGUEZ OPTICAL LABORATORIES	THIS AMENDMENT ("AMENDMENT") IS MADE AS OF JANUARY 1, 2017 BY AND BETWEEN SEARS ROEBUCK DE PUERTO RICO INC A DELAWARE CORPORATION ("SEARS"), AND MAYAGUEZ OPTICAL LABORATORIES, A PUERTO RICO CORPORATION ("LICENSE")	N/A	N/A	12/31/2019	N/A	N/A	N/A	Cure amount resolved
344	N/A	KMART CORPORATION	MEDLINE INDUSTRIES INC	MER - MEDLINE INDUSTRIES INC - MERCHANDISE SUPPLY AGREEMENT - 2017	CW2323616	N/A	01/31/2020	N/A	N/A	N/A	Cure amount resolved
345	N/A	KMART CORPORATION	MEDLINE INDUSTRIES INC	MEDLINE CURAD BRANDED MERCHANDISE SUPPLY AGREEMENT	N/A	N/A	2/1/2020	-	-	-	
346	N/A	KMART HOLDING CORPORATION	MEDTURN (INMAR)	RM-MEDTURN-MSA-2009	SHCLCW1873	N/A	12/31/2019	N/A	N/A	N/A	Cure amount resolved
347	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	MERKLE INC.	SOW#18 - SEARCH ENGINEOPTIMIZATION SERVICES FOR SEARS PARTS DIRECT AND HOME SERVICES	N/A	N/A	7/31/2019	N/A	N/A	N/A	Cure amount resolved
348	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	MICHAEL E BUTLER	LIC AGMT B2B MICHAEL E BUTLER	N/A	N/A	10/31/2018	N/A	N/A	N/A	Cure amount resolved
349	N/A	SEARS, ROEBUCK AND CO.	MIDTRONICS INC	AUTOMOTIVE-BATTERY TESTER-MIDTRONICS-SUPPLY AGREEMENT-2016	CW2311127	N/A	03/08/2019	N/A	N/A	N/A	Cure amount resolved
350	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	MOOD MEDIA-1000504217	MKTG - MOOD MEDIA - MASTER AGREEMENT - 2004	CW2331903	N/A	09/30/2019	N/A	N/A	N/A	Cure amount resolved
351	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	MOTIONPOINT CORPORATION	MASTER SERVICES AGREEMENT	N/A	N/A	-	N/A	N/A	N/A	Cure amount resolved
352	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	MOTIONPOINT CORPORATION	SERVICES SOW SOW #1(SPANISH LANGUAGE WEB SITE- SEARS.CORN)	N/A	N/A	-	-	-	-	
353	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	MR. ANDY K. MELWANI	LIC AGRMT STORE 1304 SILVER SPRING MD	N/A	N/A	06/30/2019	N/A	N/A	N/A	Cure amount resolved

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354	N/A	SEARS, ROEBUCK AND CO.	MUSIC CITY METALS CO. INC.	HS - PARTS PURCHASE AGREEMENT - MUSIC CITY METALS - 2018	CW2334937	N/A	01/17/2021	N/A	N/A	N/A	Cure amount resolved
355	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	MUZAK LLC D/B/A MOOD MEDIA	N/A	CW2331903	N/A	9/30/2019	-	-	-	
356	N/A	SEARS, ROEBUCK AND CO.	MUZAK LLC D/B/A MOOD MEDIA	N/A	CW2331903	N/A	9/30/2019	-	-	-	
357	1910	SEARS HOLDINGS MANAGEMENT CORPORATION	NATIONAL HEALTH INFORM NETWORK INC/ABSOLUTE AR	HEALTH WELLNESS ABSOLUTE MASTER AND EXHIBITS	CW2333616	N/A	11/29/2020	N/A	N/A	N/A	Cure amount resolved
358	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	NEW RELIC INC	HOME SERVICES - NEW RELIC - MSA - SEPT 2018	CW2339882	N/A	09/18/2021	N/A	N/A	N/A	Cure amount resolved
359	N/A	KMART CORPORATION	OPEN TEXT CORPORATION	ADDENDUM	N/A	N/A	6/30/2019	-	-	-	
360	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	ORACLE ELEVATOR	SC - ORACLE ELEVATOR COMPANY - MASTER SERVICE AGREEMENT - 2012	SHCLCW6881	N/A	02/20/2022	N/A	N/A	N/A	Cure amount resolved
361	N/A	SEARS, ROEBUCK AND CO.	OUTSIDE KEYSHOP, LLC	THIS LICENSE AGREEMENT (THE AGREEMENT) IS ENTERED INTO AS OF (THE 8/6/2014 EFFECTIVE DATE), BY OUTSIDE KEYSHOP, LLC, A TEXAS LIMITED LIABILITY COMPANY (LICENSEE), AND SEARS HOLDINGS MANAGEMENT CORP., A DELAWARE CORPORATION, AS AGENT FOR	N/A	N/A	08/06/2021	N/A	N/A	N/A	Cure amount resolved
362	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	OUTSIDE KEYSHOP, LLC	THIS LICENSE AGREEMENT (THE AGREEMENT) IS ENTERED INTO AS OF (THE 8/6/2014 EFFECTIVE DATE), BY OUTSIDE KEYSHOP, LLC, A TEXAS LIMITED LIABILITY COMPANY (LICENSEE), AND SEARS HOLDINGS MANAGEMENT CORP., A DELAWARE CORPORATION, AS AGENT FOR	N/A	N/A	08/06/2021	-	-	-	
363	2242 1910	KMART CORPORATION; KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION	PDX INC-361857	HEALTH WELLNESS NHS (PDX) HIPPA AGREEMENT 2015	CW2304689	N/A	08/20/2022	N/A	N/A	N/A	Cure amount resolved
364	2242 1910	KMART CORPORATION	PDX INC-361857	LICENSE AGREEMENT	N/A	N/A	6/14/2019	N/A	N/A	N/A	Cure amount resolved
365	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - DENVER DDC INVOICING	CW2324868	N/A	11/21/2023	N/A	N/A	N/A	Cure amount resolved
366	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - STOCKTON DDC INVOICING	CW2324861	N/A	11/21/2023	-	-	-	
367	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - MIDDLETOWN TDC INVOICING	CW2324871	N/A	11/21/2023	-	-	-	
368	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - CHAMBERSBURG RSC INVOICING	CW2324876	N/A	11/21/2023	-	-	-	
369	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - MIRA LOMA RSC INVOICING	CW2324878	N/A	11/21/2023	-	-	-	
370	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - ONTARIO RDC INVOICING	CW2324881	N/A	11/21/2023	-	-	-	
371	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - LAWRENCE RDC INVOICING	CW2324886	N/A	11/21/2023	-	-	-	
372	N/A	INNOVEL SOLUTIONS, INC.	PENSKE TRUCK LEASING-362702664	SC - INNOVEL - MORRISVILLE RDC INVOICING	CW2324884	N/A	11/21/2023	-	-	-	
373	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PENSKE TRUCK LEASING-362702664	SUPPLY CHAIN - INNOVEL - YARD HOSTLING LEASE - 2016	CW2320822	N/A	11/22/2023	-	-	-	

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374	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PERSADO, INC	MKTG - PERSADO - MSA - 2015	CW2294339	N/A	01/31/2019	N/A	N/A	N/A	Cure amount resolved
375	N/A	KMART CORPORATION	PHARMACY QUALITY SOLUTIONS, INC.	IT - PHARMACY QUALITY SOLUTIONS - INVOICING	CW2331944	N/A	12/31/2020	N/A	N/A	N/A	Cure amount resolved
376	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PHOENIX ENERGY TECHNOLOGIES INC	SC - PHOENIX ENERGY TECHNOLOGIES - MASTER SERVICES AGREEMENT - 2013	SHCLCW5597	N/A	08/31/2020	N/A	N/A	N/A	Cure amount resolved
377	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PHOENIX ENERGY TECHNOLOGIES INC	N/A	SHCLCW5597	N/A	8/31/2020	-	-	-	
378	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PHOENIX ENERGY TECHNOLOGIES INC	MASTER AGREEMENT	N/A	N/A	N/A	-	-	-	
379	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PHOENIX ENERGY TECHNOLOGIES INC	AMENDMENT 1	N/A	N/A	N/A	-	-	-	
380	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PHOENIX ENERGY TECHNOLOGIES INC	AMENDMENT 2	N/A	N/A	N/A	-	-	-	
381	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PHOENIX ENERGY TECHNOLOGIES INC	AMENDMENT 3	N/A	N/A	N/A	-	-	-	
382	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PHOENIX ENERGY TECHNOLOGIES INC	AMENDMENT 4	N/A	N/A	N/A	-	-	-	
383	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PLUSONE SOLUTIONS	NS-PLUSONE SOLUTIONS, INC.-MASTER SERVICES AGREEMENT-2007	SHCLCW3984	N/A	09/30/2021	N/A	N/A	N/A	Cure amount resolved
384	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PLUSONE SOLUTIONS	CORPORATE SERVICES - PLUSONE SOLUTIONS - SOW 1	CW2287361	N/A	09/30/2021	-	-	-	
385	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PLUSONE SOLUTIONS	N/A	SHCLCW3984	N/A	9/30/2021	-	-	-	
386	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PLUSONE SOLUTIONS	AMENDMENT 03	SHCLCW3984	N/A	9/30/2021	-	-	-	
387	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PRECISION CONTROL SYSTEMS OF CHICAGO	RE - PRECISION CONTROL SYSTEMS OF CHICAGO, INC - MASTER SERVICES AGREEMENT - 2011	SHCLCW5186	N/A	06/30/2020	N/A	N/A	N/A	Cure amount resolved
388	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PRECISION CONTROL SYSTEMS OF CHICAGO	N/A	SHCLCW5186	N/A	6/30/2020	-	-	-	
389	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PRGX USA, INC.	FINANCE - PRG-SCHULTZ USA INC - AUDIT AND RECOVERY SERVICES AGREEMENT - 2004	SHCLCW6147	N/A	07/31/2021	N/A	N/A	N/A	Cure amount resolved
390	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PRGX USA, INC.	FINANCE_PRGX_SECONDARY POST AUDIT WORK ORDER 2016	CW2316252	N/A	07/31/2021	-	-	-	
391	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PTC-695103	KA - PTC - MASTER SERVICES AGREEMENT - 2011	SHCLCW6111	N/A	06/30/2019	N/A	N/A	N/A	Cure amount resolved
392	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PTC-695103	KA - PTC - MASTER SERVICES AGREEMENT - 2011	HC 99396 MASTER	N/A	06/30/2019	-	-	-	
393	N/A	KMART CORPORATION; KMART OPERATIONS LLC	PUERTO RICO TELEPHONE COMPANY, INC	THIS FOURTH AMENDMENT (FOURTH AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF NOVEMBER 16, 2017 BY PUERTO RICO TELEPHONE COMPANY, INC., A COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (COMPANY), AND KMART CORPORATION.	N/A	N/A	09/30/2019	N/A	N/A	N/A	Cure amount resolved

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394	N/A	SEARS, ROEBUCK DE PUERTO RICO,	PUERTO RICO TELEPHONE COMPANY, INC	THIS FOURTEENTH AMENDMENT (FOURTEENTH AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF NOVEMBER 16, 2017 BY PUERTO RICO TELEPHONE COMPANY, INC., A COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (LICENSEE), AND SEARS, R	N/A	N/A	09/30/2019	-	-	-	
395	N/A	SEARS, ROEBUCK DE PUERTO RICO,	PUERTO RICO TELEPHONE COMPANY, INC	THIS TWELFTH AMENDMENT TO LICENSE AGREEMENT (TENTH AMENDMENT) IS MADE AS OF JANUARY 1, 2015 BETWEEN PUERTO RICO TELEPHONE COMPANY, INC., A COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (LICENSEE), AND SEARS, ROEBUCK DE	N/A	N/A	9/30/2019	-	-	-	
396	N/A	SEARS, ROEBUCK DE PUERTO RICO,	PUERTO RICO TELEPHONE COMPANY, INC	THIS THIRTEENTH AMENDMENT (THIRTEENTH AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF MARCH 2, 2017 BY PUERTO RICO TELEPHONE COMPANY, INC., A COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (LICENSEE), AND SEARS, ROEBUCK DE	N/A	N/A	9/30/2019	-	-	-	
397	N/A	SEARS, ROEBUCK DE PUERTO RICO,	PUERTO RICO TELEPHONE COMPANY, INC	THIS FIFTH AMENDMENT TO LICENSE AGREEMENT (THIS FIFTH AMENDMENT) IS BETWEEN PUERTO RICO TELEPHONE COMPANY, INC., A COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (LICENSEE), AND SEARS, ROEBUCK DE PUERTO RICO, INC. A DEL	N/A	N/A	9/30/2019	-	-	-	
398	N/A	SEARS, ROEBUCK DE PUERTO RICO,	PUERTO RICO TELEPHONE COMPANY, INC	THIS SIXTH AMENDMENT TO LICENSE AGREEMENT (THIS SIXTH AMENDMENT) IS BETWEEN PUERTO RICO TELEPHONE COMPANY, INC., A COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (LICENSEE), AND SEARS, ROEBUCK DE PUERTO RICO, INC. A DEL	N/A	N/A	9/30/2019	-	-	-	
399	N/A	SEARS, ROEBUCK DE PUERTO RICO,	PUERTO RICO TELEPHONE COMPANY, INC	THIS NINTH AMENDMENT TO LICENSE AGREEMENT (THIS NINTH AMENDMENT) IS BETWEEN PUERTO RICO TELEPHONE COMPANY, INC., A COMPANY ORGANIZED UNDER THE LAWS OF THE COMMONWEALTH OF PUERTO RICO (LICENSEE), AND SEARS, ROEBUCK DE PUERTO RICO, INC. A DEL	N/A	N/A	9/30/2019	-	-	-	

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400	N/A	SEARS, ROEBUCK AND CO.	PUERTO RICO TELEPHONE COMPANY, INC	EXTENDED ZONE BUNDLE SERVICE AGREEMENT	N/A	N/A	Expired	-	-	-	
401	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	PULSELEARNING LTD	THCS - MSA - PULSELEARNING - 2015	CW2301891	N/A	06/10/2019	N/A	N/A	N/A	Cure amount resolved
402	N/A	SEARS HOLDINGS PUBLISHING COMP.	QUAD GRAPHICS INC- 55302756	SC PP-QUAD-GRAPHICS-PRINT AGREEMENT-2007	SHCLCW3426	N/A	12/31/2019	N/A	N/A	N/A	Cure amount resolved
403	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	QUINSTREET	HS - QUIN STREET INC - MASTER SERVICES AGREEMENT - 2013	SHCLCW6664	N/A	4/15/2018	N/A	N/A	N/A	Cure amount resolved
404	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	QUINSTREET	FIRST AMENDMENT TO MASTER SERVICES AGREEMENT	N/A	N/A	04/15/2021	-	-	-	
405	N/A	KMART CORPORATION	RAND MCNALLY	N/A	N/A	N/A	12/30/2018	N/A	N/A	N/A	Cure amount resolved
406	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	RANGER AMERICAN ARMORED SERVICES, INC	FIN-RANGER AMERICAN ARMORED SERVICES-ARMORED CAR SERVICES AGREEMENT-12	SHCLCW4069	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
407	N/A	N/A	RANGER AMERICAN ARMORED SERVICES, INC	RANGER - SEARS PR - ACC RECORD - 2017	CW2323652	N/A	04/30/2019	-	-	-	
408	N/A	N/A	RANGER AMERICAN ARMORED SERVICES, INC	RANGER - KMART PR - ACC - 2017	CW2323656	N/A	04/30/2019	-	-	-	
409	N/A	N/A	RANGER AMERICAN ARMORED SERVICES, INC	RANGER - KMART VI - ACC - 2017	CW2323669	N/A	04/29/2019	-	-	-	
410	N/A	SEARS HOLDINGS CORPORATION	RANGER AMERICAN ARMORED SERVICES, INC	VENDOR AGREEMENT	SHCLCW4069	N/A	10/15/2021	-	-	-	
411	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	REED GROUP MANAGEMENT LLC	REED GROUP MASTER SERVICE AGREEMENT	CW2315427	N/A	10/31/2023	N/A	N/A	N/A	Cure amount resolved
412	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	REED GROUP MANAGEMENT LLC	REED GROUP CENTRALIZED LEAVE MANAGEMENT SOW	CW2315837	N/A	08/31/2021	-	-	-	
413	N/A	SEARS, ROEBUCK AND CO.	RELIABLE PARTS, INC.	PARTS SUPPLIER AGREEMENT	N/A	N/A	Recurring	N/A	N/A	N/A	Cure amount resolved
414	N/A	SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	REPAIR AND WEAR INC	THIS FIRST AMENDMENT "FIRST AMENDMENT" TO THE LICENSE AGREEMENT IS MADE AS OF FEBRUARY 4, 2016 BY REPAIR AND WEAR INC.; AN OHIO CORPORATION "LICENSE"AND SHC LICENSED BUSINESS LLC A DELAWARE LIMITED LIABILITY COMPANY "COMPANY" UNDER GRANT	N/A	N/A	1/31/2021	N/A	N/A	N/A	Cure amount resolved
415	N/A	SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	REPAIR AND WEAR INC	THIS SECOND AMENDMENT "SECOND AMENDMENT" TO THE LICENSE AGREEMENT IS MADE AS OF SEPTEMBER 28, 2017 BY REPAIR AND WEAR INC.; AN OHIO CORPORATION "LICENSE"AND SHC LICENSED BUSINESS LLC A DELAWARE LIMITED LIABILITY COMPANY "COMPANY" UNDER GRANT	N/A	N/A	1/31/2021	-	-	-	

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416	N/A	SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	REPAIR AND WEAR INC	THIS LICENSE AGREEMENT (THE AGREEMENT) IS ENTERED INTO AS OF JANUARY 31, 2016 (THE EFFECTIVE DATE), BY REPAIR AND WEAR, INC., AN OHIO CORPORATION (LICENSEE), AND SHC LICENSED BUSINESS LLC, A DELAWARE LIMITED LIABILITY COMPANY (COMPANY	N/A	N/A	01/31/2021	-	-	-	
417	N/A	SHC LICENSED BUSINESS LLC	REPAIR AND WEAR INC	THIS LICENSE AGREEMENT (THE AGREEMENT) IS ENTERED INTO AS OF JANUARY 31, 2016 (THE EFFECTIVE DATE), BY REPAIR AND WEAR, INC., A OHIO CORORAITN (LICENSEE), AND SHC LICENSED BUSINESS LLC., A DELAWARE LIMITED LIABILITY COMPANY ("COMPANY")	N/A	N/A	01/31/2021	-	-	-	
418	N/A	SHC LICENSED BUSINESS LLC	REPAIR AND WEAR INC	THIS SECOND AMENDMENT (SECOND AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF SEPTEMBER 28, 2017 (THE EFFECTIVE DATE), BY REPAIR AND WEAR, INC., A OHIO CORPORATION (LICENSEE), AND SHC LICENSED BUSINESS LLC., A DELAWARE LIMITED LIABIL	N/A	N/A	1/31/2021	-	-	-	
419	N/A	SHC LICENSED BUSINESS LLC	REPAIR AND WEAR INC	THIS FIRST AMENDMENT (FIRST AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF FEBRUARY 4, 2016 (THE EFFECTIVE DATE), BY REPAIR AND WEAR, INC., A OHIO CORPORATION (LICENSEE), AND SHC LICENSED BUSINESS LLC., A DELAWARE LIMITED LIABILITY	N/A	N/A	1/31/2021	-	-	-	
420	3077 3259	Sears Holdings Management Corporation	Retail Contractors of Puerto Rico Inc.	MAJOR MAINTENANCE OWNER CONTRACTOR AGREEMENT - ESCALATOR REPLACEMENT (Store #1905 - San Juan, PR)	CW2338834	N/A	1/31/2019	N/A	N/A	N/A	Cure amount resolved
421	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	RETAIL MANAGEMENT PARTNERS, INC	THIS AMENDED AND RESTATED LICENSE AGREEMENT (THE AGREEMENT) IS ENTERED INTO AS OF _____, 2014 (THE EFFECTIVE DATE), BY RETAIL MANAGEMENT PARTNERS, INC., A TEXAS CORPORATION (LICENSEE), AND SEARS HOLDINGS MANAGEMENT CORP., A DELAWARE	N/A	N/A	06/11/2019	N/A	N/A	N/A	Cure amount resolved

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422	N/A	SEARS, ROEBUCK AND CO.	RETAIL MANAGEMENT PARTNERS, INC	THE MASTER ADDENDUM ("ADDENDUM") IS ENTERED INTO ON 1/9/2015 (THE "EFFECTIVE DATE"), BETWEEN SEARS ROEBUCK AND CO., A NEW YORK CORPORATION ("SEARS") AND RETAIL MANAGEMENT PARTNERS, INC., A TEXAS CORPORATION ("LICENSEE")	N/A	N/A	06/11/2019	-	-	-	
423	2552 1959	SEARS HOLDINGS MANAGEMENT CORPORATION	RISKONNECT, INC	RISK MGMT RISKONNECT MASTER AND ADDENDUM 23	CW2332858	N/A	10/16/2023	N/A	N/A	N/A	Cure amount resolved
424	1959 2552	SEARS HOLDINGS MANAGEMENT CORPORATION	RISKONNECT, INC	N/A	CW2332858	N/A	10/16/2023	-	-	-	
425	N/A	KMART CORPORATION; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	ROCHESTER ARMORED CAR	FIN-ROCHESTER ARMORED CAR- ARMORED CAR SERVICES AGREEMENT- 2012	SHCLCW4070	N/A	04/30/2019	N/A	N/A	N/A	Cure amount resolved
426	N/A	N/A	ROCHESTER ARMORED CAR	KMART- INVOICING	CW2320962	N/A	04/30/2019	-	-	-	
427	N/A	N/A	ROCHESTER ARMORED CAR	SEARS- INVOICING	CW2320964	N/A	04/30/2019	-	-	-	
428	2252 1981	SEARS HOLDINGS MANAGEMENT CORPORATION	SALESFORCE.COM	INVOICE NUMBER 12515781	N/A	N/A	1/0/1900	N/A	N/A	N/A	Cure amount resolved
429	2252 1981	SEARS HOLDINGS MANAGEMENT CORPORATION	SALESFORCE.COM	MASTER SUBSCRIPTION AGREEMENT - 2010	SHC-68113	N/A	1/0/1900	-	-	-	
430	N/A	SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	SANDRA GOFF BURGER	THIS FIRST AMENDMENT ("AMENDMENT") TO THE LICENSE AGREEMENT IS MADE AS OF MAY 17, 2017 BY SANDRA GOFF BURGER, A SOLE PROPRIETOR ("LICENSEE"), AND SHC LICENSED BUSINESS LLC., A DELAWARE LIMITED LIABILITY COMPANY ("COMPANY") AS ASSIGNEE OF SEARS, ROEBUCK AND CO.	N/A	N/A	06/26/2019	N/A	N/A	N/A	Cure amount resolved
431	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	Sertifi, Inc.	Master "Software as a Service" Managed Service Agreement	N/A	N/A	1/0/1900	N/A	N/A	N/A	Cure amount resolved
432	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SERVICE EXPRESS INC	OBUSERVICE EXPRESS-MASTER SERVICE AGREEMENT (2015)	CW2301126	N/A	05/18/2025	N/A	N/A	N/A	Cure amount resolved
433	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SERVICE EXPRESS INC	MEMBER TECH - SERVICE EXPRESS INC - SOW 2 - AUGUST 2018	CW2340477	N/A	09/30/2019	-	-	-	
434	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SERVICE EXPRESS INC	N/A	CW2340477	N/A	9/30/2019	-	-	-	
435	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SERVICE EXPRESS INC	N/A	CW2340477	N/A	9/30/2019	-	-	-	
436	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SERVICE EXPRESS INC	SOW 2	N/A	N/A	N/A	-	-	-	
437	N/A	SEARS, ROEBUCK AND CO.	SERVICEBENCH INC	HS-SERVICEBENCH INC.-MSA-03	SHCLCW103	N/A	04/01/2021	N/A	N/A	N/A	Cure amount resolved
438	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SHARE A SALE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Cure amount resolved
439	N/A	KMART CORPORATION; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS, ROEBUCK AND CO.	SPECIALTY STORE SERVICES- 707779	FAC - SPECIALTY STORE SERVICES - PTC 2018	CW2338753	N/A	06/30/2021	N/A	N/A	N/A	Cure amount resolved

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440	N/A	SHC LICENSED BUSINESS LLC	SUMMIT PORTRAITS, LLC	THIS LICENSE AGREEMENT (THE AGREEMENT) IS ENTERED INTO AS OF _____ (THE 7/11/2018 EFFECTIVE DATE), BY SUMMIT PORTRAITS, LLC, A LIMITED LIABILITY CORPORATION (LICENSEE), AND SHC LICENSED BUSINESS LLC, A DELAWARE LIMITED LIABILITY CO.	N/A	N/A	07/10/2023	-	-	-	
441	1979	KMART CORPORATION	SUPPLYLOGIX LLC	RM - SUPPLYLOGIX INC - MASTER SERVICES AGREEMENT - 2011	SHCLCW5616	N/A	11/30/2019	N/A	N/A	N/A	Cure amount resolved
442	1979	KMART CORPORATION	SUPPLYLOGIX LLC	RM - SUPPLYLOGIX INC - STATEMENT OF WORK 2 TO MSA - 2012	SHCLCW5617	N/A	11/30/2019	N/A	N/A	N/A	Cure amount resolved
443	1979	KMART CORPORATION	SUPPLYLOGIX LLC	RM - SUPPLYLOGIX LLC - STATEMENT OF WORK 3 TO MSA - 2012	SHCLCW5903	N/A	11/30/2019	-	-	-	
444	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES	CORPORATE SERVICES - SUTHERLAND GLOBAL SERVICES - MASTER OUTSOURCED SERVICES AGREEMENT - 2016	CW2318003	N/A	08/31/2021	-	-	-	
445	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES	CORPORATE SERVICES - SUTHERLAND GLOBAL SERVICES PHILIPPINES, INC. - MASTER OUTSOURCED SERVICES AGREEMENT - 2016	CW2318007	N/A	08/31/2021	-	-	-	
446	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES	CORPORATE SERVICES - SUTHERLAND GLOBAL SERVICES PHILIPPINES, INC. SOW 2 - 2016	CW2318009	N/A	10/06/2019	-	-	-	
447	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES	CORPORATE SERVICES - SUTHERLAND GLOBAL SERVICES PRIVATE LIMITED - SOW 1 - 2016	CW2318005	N/A	10/06/2019	-	-	-	
448	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES	CS - SUTHERLAND GLOBAL - SOW 3 - 2017	CW2327026	N/A	08/31/2021	-	-	-	
449	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES INDIA PVT LTD.	CS - SUTHERLAND GLOBAL - SOW 2 - 2016	CW2321517	N/A	10/06/2019	-	-	-	
450	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES INDIA PVT LTD.	CS - SUTHERLAND GLOBAL - SOW 1 - 2016	CW2321520	N/A	10/06/2019	-	-	-	
451	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES INDIA PVT LTD.	HS - SUTHERLAND - SOW 3	CW2329570	N/A	10/06/2019	-	-	-	
452	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES INDIA PVT LTD.	CORPORATE SERVICES - PARTS SALES AND CARE CHATS - SUTHERLAND GLOBAL SERVICES - SOW 3 - 2017	CW2325437	N/A	10/06/2019	-	-	-	
453	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES PHILIPPINES, INC.	CS - SUTHERLAND GLOBAL SVCS - SOW 1 - 2016	CW2329857	N/A	10/06/2019	N/A	N/A	N/A	Cure amount resolved
454	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES PHILIPPINES, INC.	CS - SUTHERLAND - SOW 2 - 2016	CW2321515	N/A	10/06/2019	-	-	-	
455	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	SUTHERLAND GLOBAL SERVICES PHILIPPINES, INC.	CS - SUTHERLAND GLOBAL - SOW 3 - 2017	CW2327709	N/A	08/31/2021	-	-	-	
456	N/A	INNOVEL SOLUTIONS, INC.	TCI LEASING	INNOVEL - TCI INVOICING - 2017	CW2333068	N/A	10/31/2022	N/A	N/A	N/A	Cure amount resolved
457	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	TCI LEASING	SUPPLY CHAIN - INNOVEL TCI YARD HOSTING LEASE - 2017	CW2332767	N/A	10/18/2022	-	-	-	
458	N/A	SEARS HOLDINGS CORPORATION	TCI LEASING	N/A	CW2332767	N/A	10/18/2022	-	-	-	

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459	N/A	SEARS HOLDINGS CORPORATION	TCI LEASING	N/A	CW2332767	N/A	10/18/2022	-	-	-	
460	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.	TECHNICON INC	FAC - TECHNICON INC - MASTER SERVICE AGREEMENT 2017	CW2333386	N/A	11/09/2018	N/A	N/A	N/A	Cure amount resolved
461	N/A	KMART CORPORATION; KMART OPERATIONS LLC; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.	TECHNICON INC	FACILITIES UPTO \$40K MSA	N/A	N/A	11/09/2018	-	-	-	
462	N/A	SHC LICENSED BUSINESS LLC	TELEFLORA LLC	THIS SIXTH AMENDMENT (SIXTH AMENDMENT) TO THE LICENSE AGREEMENT IS MADE AS OF APRIL 28, 2018 BY TELEFLORA, LLC, A DELAWARE LIMITED LIABILITY COMPANY (LICENSEE) AND SHC LICENSED BUSINESS LLC, A DELAWARE LIMITED LIABILITY COMPANY ("COMPANY")	N/A	N/A	05/31/2020	N/A	N/A	N/A	Cure amount resolved
463	N/A	SEARS IT & MANAGEMENT SERVICES INDIA PRIVATE LIMITED	TELEFLORA LLC	SYW PARTNERSHIP AGREEMENT	N/A	N/A	12/12/2018	-	-	-	
464	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	TELESOFT CORP.	ITG - TELESOFT - MSSA - 2014	CW2281898	N/A	06/29/2019	N/A	N/A	N/A	Cure amount resolved
465	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	TELESOFT CORP.	IT TELESOFT SOW 2017	CW2332078	N/A	11/30/2018	-	-	-	
466	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	TEMPUS TECHNOLOGIES	HOME SERVICES - TEMPUS - SAAS AGREEMENT - SEPT 2017	CW2217455	N/A	10/01/2020	N/A	N/A	N/A	Cure amount resolved
467	1925	INNOVEL SOLUTIONS, INC.	THE J.M. SMUCKER COMPANY	WAREHOUSE SERVICE AGREEMENT	N/A	N/A	05/01/2021	N/A	N/A	N/A	Cure amount resolved
468	N/A	SEARS HOME & BUSINESS FRANCHIS	THE MEDIA CAPTAIN, LLC	SEARCH ENGINE OPTIMIZATION SERVICES AGREEMENT FOR SEARS CARPET CLEANING & SEARS GARAGE DOORS	N/A	N/A	Recurring	N/A	N/A	N/A	Cure amount resolved
469	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	THE SHERWIN-WILLIAMS CO	Supply Agreement for Roofing Products	N/A	N/A	1/0/1900	N/A	N/A	N/A	Cure amount resolved
470	N/A	KMART CORPORATION; SEARS HOLDINGS CORPORATION; SEARS, ROEBUCK AND CO.	TJ&H CHILLUNS, LTD.	THIS SCAN-BASED TRADING AND CONSIGNMENT AGREEMENT (THE "AGREEMENT") IS ENTERED INTO BY AND BETWEEN KMART CORPORATION (TOGETHER WITH ITS SUBSIDIARIES "KMART", SEARS, ROEBUCK AND CO., (TOGETHER WITH ITS SUBSIDIARIES "SEARS" AND ALL OTHER SUBSIDIARIES OF SEARS, ROEBUCK AND CO.	N/A	N/A	N/A	N/A	N/A	N/A	Cure amount resolved
471	N/A	SEARS, ROEBUCK AND CO.; SHC LICENSED BUSINESS LLC	TJ&H CHILLUNS, LTD.	THIS EIGHTH AMENDMENT ("EIGHTH AMENDMENT") TO THE LICENSE AGREEMENT IS MADE AS OF JANUARY 17, 2018 BY TJ&H CHILLUNS, LTD., AN INDIANA CORPORATION ("LICENSEE") AND SHC LICENSED BUSINESS LLC, A DELAWARE LIMITED LIABILITY COMPANY ("COMPANY") AS ASSIGNEE OF	N/A	N/A	01/31/2020	-	-	-	

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
472	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	TMAXSOFT	IT TMAXSOFT MSSA SOW IMS REHOSTING 2017	CW2332824	N/A	10/24/2020	N/A	N/A	N/A	Cure amount resolved
473	N/A	INNOVEL SOLUTIONS, INC.	TOTE MARITIME ALASKA, INC.	NINETEENTH AMENDMENT TO TRANSPORTATION AGREEMENT DATED MAY 2, 2006	N/A	N/A	12/31/2019	N/A	N/A	N/A	Cure amount resolved
474	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	TOUCHSTORM, LLC	KENMORE YOUTUBE CHANNEL MANAGEMENT & AUDIENCE DEVELOPMENT	N/A	N/A	06/30/2019	N/A	N/A	N/A	Cure amount resolved
475	N/A	SEARS, ROEBUCK DE PUERTO RICO,	TRAVEL CONCEPTS	WE ACKNOWLEDGE RECEIPT OF YOUR LETTER DATED JULY 16, 2013.	N/A	N/A	2/28/2018	N/A	N/A	N/A	Cure amount resolved
476	N/A	SEARS, ROEBUCK DE PUERTO RICO,	TRAVEL CONCEPTS	THIS AMENDMENT ("AMENDMENT") IS MADE AND ENTERED INTO ON AUGUST 1, 2013, BY AND BETWEEN SEARS, ROEBUCK DE PUERTO RICO, INC, A DELAWARE CORPORATION ("SEARS"), AND TRAVEL CONCEPTS, INC, A PUERTO RICO CORPORATION ("LICENSEE")	N/A	N/A	2/28/2018	-	-	-	
477	N/A	SEARS, ROEBUCK AND CO, KMART CORPORATION, SEARS BRANDS MANAGEMENT CORPORATION	TRICO PRODUCTS CORPORATION	SUPPLY AGREEMENT FOR WIPER BLADES	N/A	N/A	3/2/2021	-	-	-	
478	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	VERIFONE	IT-AJB SOFTWARE DESIGN- MSSA AND AMENDMENT NO.1 TO MSSA-11	SHCLCW1	N/A	10/06/2019	N/A	N/A	N/A	Cure amount resolved
479	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	VERIFONE	MT-VERIFONE-SOW 61-WINDOWS STORE SET UP CHANGES-OCT 2018	CW2340203	N/A	12/11/2018	-	-	-	
480	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	VERIFONE	N/A	CW2340203	N/A	12/11/2018	-	-	-	
481	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	VERIFONE	SOW 61	CW2340203	N/A	12/11/2018	-	-	-	
482	N/A	KMART OPERATIONS LLC; SEARS HOLDINGS MANAGEMENT CORPORATION; SEARS OPERATIONS LLC; SEARS, ROEBUCK AND CO.; SEARS, ROEBUCK DE PUERTO RICO	VERTEX	FAC-ENVIRONMENTAL CONSULTANTS- VERTEX-MESA	CW2333465	N/A	11/09/2020	N/A	N/A	N/A	Cure amount resolved
483	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	VERTIV SERVICES INC.	N/A	N/A	N/A	8/22/2018	N/A	N/A	N/A	Cure amount resolved
484	N/A	SEARS, ROEBUCK AND CO.	VILLAGE OF HOFFMAN ESTATES	FIN - VILLAGE OF HOFFMAN ESTATES - 2016 SEARS CENTRE NAMING RIGHTS AGREEMENT	CW2314101	N/A	04/26/2019	-	-	-	
485	N/A	SEARS, ROEBUCK AND CO.	VILLAGE OF HOFFMAN ESTATES	2016 SEARS NAMING RIGHTS AGREEMENT	N/A	N/A	8/31/2019	-	-	-	
486	N/A	SEARS ROEBUCK AND CO. ; SEARS OPERATIONS LLC ; KMART CORPORATION ; KMART OPERATIONS LLC	WEATHERVANE SERVICE, INC	MAJOR MAINTENANCE AGREEMENT	N/A	N/A	10/25/2018	-	-	-	
487	N/A	SEARS ROEBUCK AND CO. ; SEARS OPERATIONS LLC ; KMART CORPORATION ; KMART OPERATIONS LLC	WINCON SERVICES, INC	MASTER GENERAL CONSULTING SERVICES AGREEMENT	N/A	N/A	6/21/2018	N/A	N/A	N/A	Cure amount resolved

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
488	N/A	SEARS ROEBUCK AND CO. ; SEARS OPERATIONS LLC ; KMART CORPORATION ; KMART OPERATIONS LLC	WINCON SERVICES, INC	MASTER GENERAL CONSULTING SERVICES AGREEMENT	N/A	N/A	6/21/2019	-	-	-	
489	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION;SEARS HOME IMPROVEMENT PRODUCTS, INC.	WINCORE WINDOW COMPANY, LLC,	SECOND AMENDMENT TO SUPPLY AGREEMENT	N/A	N/A	08/31/2021	-	-	-	
490	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WINDSTREAM PROFESSIONAL SERVICES(S-G53033)	IT OPS - WINDSTREAM COMMUNICATIONS - CUSTOMER SERVICE AGREEMENT - 2012	SHCLCW5824	N/A	07/09/2019	N/A	N/A	N/A	Cure amount resolved
491	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WINNSCAPES INC	INNOVEL-WINNSCAPES INC-SNOW REMOVAL-45432 COLUMBUS OH-2018	CW2340004	N/A	09/30/2020	N/A	N/A	N/A	Cure amount resolved
492	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIPRO LIMITED	FINANCE - WIPRO LIMITED - MASTER AGREEMENT - 20	CW2212745	N/A	12/02/2022	N/A	N/A	N/A	Cure amount resolved
493	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIPRO LIMITED	HR OPS- WIPRO LIMITED MASTER OUTSOURCED SERVICES AGREEMENT 2007	SHCLCW1657	N/A	12/31/2021	-	-	-	
494	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIPRO LIMITED	HOME SERVICES AND OTHER WIPRO LIMITED- SOW FA PHASE I TO MOSA 2008	SHCLCW4124	N/A	12/31/2021	-	-	-	
495	N/A	SEARS IT & MANAGEMENT SERVICES INDIA PRIVATE LIMITED	WIPRO LIMITED	HOME SERVICES - WIPRO FINANCE - PHASE 1 SHIP - 2012	CW2256110	N/A	12/31/2021	-	-	-	
496	N/A	N/A	WIPRO LIMITED	FINANCE - WIPRO - ACC PHASE I SOW - PLANO - 2012	CW2259119	N/A	12/31/2021	-	-	-	
497	N/A	N/A	WIPRO LIMITED	FINANCE - WIPRO - SOW DCC ACCOUNT 08413 - 2012	CW2259110	N/A	12/31/2021	-	-	-	
498	N/A	N/A	WIPRO LIMITED	FINANCE - WIPRO - SOW NCC - 2012	CW2259115	N/A	12/31/2021	-	-	-	
499	N/A	N/A	WIPRO LIMITED	FINANCE - WIPRO - SOW FINANCIAL SERVICES ACCOUNT 35013 - 2015	CW2303066	N/A	12/31/2021	-	-	-	
500	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIPRO LIMITED	HOME SERVICES-WIPRO-SOW 2 CR067-2014	CW2276384	N/A	12/31/2021	-	-	-	
501	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIPRO LIMITED	SYW - WIPRO - SOW FOR ANALYTICS - 2018	CW2335068	N/A	01/31/2019	-	-	-	
502	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIS INTERNATIONAL	HS - WIS INTERNATIONAL - INVENTORY MASTER SERVICES AGREEMENT - 2011	SHCLCW5478	N/A	01/31/2019	N/A	N/A	N/A	Cure amount resolved
503	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIS INTERNATIONAL	CORPORATE SERVICES - TRUCK INVENTORY SERVICES SOW 6- WIS INTERNATIONAL - 2016	CW2309861	N/A	01/31/2019	-	-	-	
504	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIS INTERNATIONAL	N/A	CW2340929	N/A	1/31/2022	-	-	-	
505	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIS INTERNATIONAL	N/A	CW2340929	N/A	1/31/2022	-	-	-	
506	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIS INTERNATIONAL	HS - WIS INTERNATIONAL - INVENTORY MASTER SERVICES AGREEMENT - 2011	SHCLCW5478	N/A	1/31/2022	-	-	-	
507	N/A	SEARS HOLDINGS MANAGEMENT CORPORATION	WIS INTERNATIONAL	INVENTORY SERVICES	CW2340929	N/A	1/31/2022	-	-	-	

Sears Holdings Corporation
Executory Contracts for Assignment

Ref #	ECF No. (Cure objection asserted by counterparty)	Debtor	Counterparty	Contract Title	Contract No.	Contract Executed Date	Contract Expiration Date	Debtors' Asserted Cure Amount	Counterparty's Asserted Cure Amount	Disputed Cure Amount	Comments
508	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	DANOSA CARIBBEAN, INC.	SUPPLY AGREEMENT FOR ROOFING	N/A	N/A	N/A	-	-	-	
509	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	AMERICAN BUILDERS & CONTRACTORS SUPPLY CO.INC.(S-G52885)	SUPPLY AGREEMENT FOR ROOFING	N/A	N/A	N/A	-	-	-	
510	N/A	SEARS, ROEBUCK AND CO.	VILLAGE OF HOFFMAN ESTATES	ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF HOFFMAN ESTATES AND SEARS, ROEBUCK AND CO.	N/A	N/A	N/A	-	-	-	
511	N/A	SEARS, ROEBUCK AND CO.	VILLAGE OF HOFFMAN ESTATES	AMENDMENTS 1-4 TO THE ECONOMIC DEVELOPMENT AGREEMENT	N/A	N/A	N/A	-	-	-	
512	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	DAL-TILE DISTRIBUTION, INC.	SUPPLY AGREEMENT FOR FLOORING /BACKSPLASH	N/A	N/A	N/A	33,426	-	N/A	Cure Amount Resolved
513	N/A	SEARS, ROEBUCK AND CO.	SEALED UNIT PARTS CO., INC.	HS - PARTS SERVICE AGREEMENT - SUPCO - 2018	CW2334836	N/A	01/21/2021	-	-	-	
514	N/A	A&E FACTORY SERVICE, LLC	A.O. SMITH CORPORATION	N/A	CW2340675	N/A	6/15/2019	-	-	-	
515	N/A	A&E FACTORY SERVICE, LLC	A.O. SMITH CORPORATION	SERVICE AGREEMENT	N/A	N/A	N/A	-	-	-	
516	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	AIR-CONDITIONING, HEATING AND REFRIGERATION INSTITUTE(S-G53005)	LICENSING AGREEMENT	N/A	N/A	N/A	-	-	-	
517	N/A	SEARS HOME IMPROVEMENT PRODUCTS, INC.	OWENS CORNING SALES, LLC	PROGRAM LETTER - UPDATE TO PROMOTIONAL INCENTIVE AGREEMENT	N/A	N/A	12/31/2018	-	-	-	
518	2540, 1920	SEARS HOLDINGS MANAGEMENT CORPORATION	INFOSYS TECHNOLOGIES LIMITED	IT OPS-INFOSYS TECHNOLOGIES LIMITED-OUTSOURCING AGREEMENT-2004	SHCLCW3458	N/A	7/31/2019	N/A	N/A	N/A	Cure amount resolved

CRAIN'S CHICAGO BUSINESS

June 12, 2017 07:00 PM

With layoffs, Sears loses state tax credits

BRIGID SWEENEY  



Bloomberg

Sears' Hoffman Estates headquarters.

The 400 jobs being cut put the retailer below the employment threshold required for tax breaks—but Sears gets to keep the millions it has already received.

The announcement this morning that Sears Holdings has cut about 400 jobs, mostly at its Hoffman Estates headquarters, puts the company under the employment threshold required to receive the annual tax breaks it brokered in a 2011 deal with the state.

The deal, struck under the Edge program (short for Economic Development for a Growing Economy), provided Sears with state income tax credits worth \$15 million a year for 10 years. In order to keep the deal, Sears agreed to stop shopping for a new

EXHIBIT

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headquarters location out of state and to keep at least 4,250 local corporate jobs in Hoffman Estates.

"For the first time since our agreement was enacted in 2011, we recently dropped below the required retained job figure for the Edge credit," Sears spokesman Howard Riefs wrote in an email to Crain's. He said the company was allowed to count only certain types of jobs under the agreement.

A separate property tax agreement, reached at the same time, extended existing tax credits for 15 years, or until the company recovered \$125 million. That agreement also includes a 4,250 job requirement, but the definition of jobs that count is broader than the one within the Edge agreement. Sears remains in compliance with the property tax deal and will continue to receive those credits, according to spokesman Chris Brathwaite.

The retailer had a property tax break dating back to 1992, when it first moved to Hoffman Estates from the formerly namesake Loop skyscraper now named Willis Tower. That agreement was intended to reimburse Sears for the \$200 million it spent to build its suburban campus. Only about \$75 million was recaptured in property tax credits through 2011, according to Brathwaite. The extension was intended to pay back the remainder of Sears' investment.

At the time of the Edge and property tax deals in December 2011, Sears employed about 6,100 people at its headquarters, including full-time and contract workers. Brathwaite declines to provide the number currently employed at Sears headquarters. Though the number of Edge-qualifying employees is now below 4,250, that number does not include contractors, he said. Neither the Edge nor property tax deals count store-level Sears and Kmart employees in Illinois.

Read more:

- Special Report: Sears—where America shopped
- With Sears' future in doubt, vendors begin pulling back
- Sears' media-shy CEO lashes out at suppliers

Under the Edge deal, Sears was required to spend \$60 million in infrastructure investment by 2015 and \$100 million before 2018 to begin collecting credits. The credits are paid two years in arrears. Sears met those requirements and first collected about \$20 million in tax credits in 2016 for the 2014 calendar year. It is currently collecting credits for meeting conditions in 2015. Sears also met conditions in 2016, he said, which means it would be paid out next year.

In the last five years, Brathwaite said, Sears has paid more than \$680 million in taxes, invested more than \$260 million in its headquarters campus and worked with thousands of vendors across the state.

The state's Department of Commerce & Economic Opportunity, which oversees the Edge agreement, confirmed that Sears will fall below the minimum number of employees required to receive the credits.

"The department is planning a books and records examination to ensure taxpayers are not on the hook for an out-of-compliance Edge agreement," spokeswoman Jacquelyn Reineke wrote in an email.

Sears is one of eight companies that received so-called "special" Edge agreements through a program amendment filed in 2011. CME Group also received one around the same time as Sears. Mitsubishi, which closed its plant in Normal in 2015 and no longer operates in Illinois, received another.

Unlike regular Edge agreements, tax credits already issued under special Edge deals cannot be clawed back if a company falls out of compliance, Reineke said.

Gov. Bruce Rauner has worked to add taxpayer protections to the Edge program, she added.

Source URL: <https://www.chicagobusiness.com/article/20170613/NEWS07/170619964/with-layoffs-sears-loses-edge-tax-credits>

SETTLEMENT AGREEMENT REGARDING EDGE TAX CREDIT AGREEMENT

THIS SETTLEMENT AGREEMENT REGARDING EDGE TAX CREDIT AGREEMENT (the "Settlement Agreement") is entered into as of this 15th day of December, 2017 by and between the State of Illinois, acting by and through its Department of Commerce and Economic Opportunity (the "Department") and Sears Holdings Management Corporation ("Sears Holdings"), together with its other direct and indirect subsidiaries that now or hereafter exist (collectively, the "Company"), and together with the Department, the "Parties."

RECITALS

A. The Department and the Company entered into the EDGE Tax Credit Agreement dated October 26, 2012 (the "Original Agreement") and the First Amendment to the EDGE Tax Credit Agreement dated June 14, 2017 (the "First Amendment"; the Original Agreement and the First Amendment are hereafter referred to as the "Agreement"), wherein the Department agreed to award an EDGE tax credit to the Company pursuant to Public Act 91-476, titled the Economic Development for a Growing Economy ("EDGE") Tax Credit Act, 35 ILCS 10/5-1, *et seq.*, subject to the terms and conditions set forth therein.

B. The Agreement required the Company to, among other things, retain a minimum of 4,250 Full-Time Employees at certain specified locations as set forth in the Agreement.

C. On March 15, 2017, the Company submitted its request for the Certificate of Verification for Taxable Year 2016.

D. On May 31, 2017, the number of Retained Employees fell below 4,250, and as of the date of this Settlement Agreement the number of Retained Employees remains below 4,250.

E. To resolve and settle certain disputes that arose between the Parties regarding issuance of the Certificates of Verification for Taxable Year 2016 and Fiscal Year 2017, the Department and the Company desire to enter into this Settlement Agreement.

F. As used herein, the below terms have the following meanings:

- a. "Settlement Agreement" refers to the agreement herein entered into by the Parties on this 15th day of December, 2017.
- b. "Fiscal Year 2017" means the Company's fiscal year ending January 31, 2018.
- c. "Certified" refers to issuance by the Department of a Certificate of Verification for a given Taxable Year.
- d. Capitalized terms used herein but not defined shall have the respective meanings ascribed to them in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, obligations, and stipulations set forth herein, the receipt and sufficiency of which are hereby acknowledged and agreed to, the Parties hereto agree as follows:

1. Recitals. The Recitals set forth above are hereby incorporated into and made a part of this Settlement Agreement.

2. Issuance of Certificate of Verification for Taxable Year 2016: Use of Credits. Concurrently with the execution of this Settlement Agreement, the Department shall issue the Certificate of Verification for Taxable Year 2016 to the Company. Notwithstanding the provisions of Section 2E of the Agreement, the Company may use the Credits issued and carryforward any Unused Credits Certified and unused as of the date of this Settlement Agreement even though the number of Retained Employees remains below 4,250, so long as the Company uses any such Unused Credits by September 30, 2019. After October 1, 2019, the Company may not claim any Unused Credits against its obligation to pay over withholding under Section 704A of the Illinois Income Tax Act unless, and until, the Company comes back into compliance with the terms and conditions of the Agreement as set forth in Section 2E.

3. Certificate of Verification for Fiscal Year 2017. The Department shall have no obligation to issue any Certificate of Verification for Fiscal Year 2017. The Company expressly waives and agrees to not seek any Certificate of Verification or other Credit for Fiscal Year 2017.

4. Release of Claims for Taxable Year 2016 and Fiscal Year 2017. As the purpose of this Settlement Agreement is to resolve certain disputes that arose between the Parties regarding issuance of the Certificates of Verification and use of Credits for Taxable Year 2016 and Fiscal Year 2017, the Company hereby releases the Department from all causes of action, claims or demands, whether known or unknown, with respect to issuance of the Certificates of Verification and use of Credits for Taxable Year 2016 and Fiscal Year 2017.

5. Authority to Bind. The Company hereby represents and warrants as of the date hereof: (a) this Settlement Agreement has been duly authorized, executed and delivered by the Company and is the legal, valid and binding obligation of the Company enforceable in accordance with its terms; (b) the Company has full power and authority to execute, deliver and perform the Agreement, as agreed to hereby, and any ancillary documents and to perform its obligations thereunder, and to consummate the transactions contemplated hereby; and (c) the execution and delivery of this Settlement Agreement and any ancillary documents, the performance by the Company of its obligations under the Agreement, as agreed to hereby, and the consummation by the Company of the transactions contemplated by the Agreement, as agreed to hereby, will not: (i) contravene any provision of the articles of incorporation or bylaws of the Company; (ii) violate or conflict with any law, statute, ordinance, rule, regulation, decree, writ, injunction, judgment or court order of any governmental body or of any arbitration award which is either applicable to, binding upon or enforceable against the Company; (iii) conflict with, result in any breach of, or constitute a default (or an event which would, with the passage

of time or the giving of notice or both, constitute a default) under any other agreement which is applicable to, binding upon or enforceable against the Company; or (iv) require the consent, approval, authorization or permit of, or filing with or notification to, any governmental body, any court or tribunal or any other Person. The signatory for the Company represents that he or she has been duly authorized to execute this Settlement Agreement on behalf of the Company.

6. No Other Amendment; Conflicts. Except as otherwise expressly agreed to hereby, the Agreement shall remain unmodified and in full force and effect. In the event of any conflicts between the Agreement and this Settlement Agreement, this Settlement Agreement shall control.

7. No Construction Bias. Each of the Parties hereto cooperated in the drafting and preparation of this Settlement Agreement. Hence, this Settlement Agreement shall not be construed as an admission of liability, wrongdoing or responsibility by any party.

8. Binding Upon Successors and Assigns. This Settlement Agreement, and all representations, agreements, covenants and releases set forth herein, shall be binding upon, and shall inure to the benefit of, the Parties and their respective predecessors, successors, heirs and assigns.

9. Partial Invalidity. In the event that any provisions of this Settlement Agreement should be held to be void or unenforceable, the remaining portions hereof shall remain in full force and effect.

10. Governing Law. This Settlement Agreement shall be construed in accordance with and governed by the laws of the State of Illinois, notwithstanding its choice of law rules to the contrary or any other state's choice of law rules and suit, if any, must be brought in the State of Illinois.

11. Counterparts. This Settlement Agreement may be executed in counterparts, it being understood that all such counterparts, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Settlement Agreement on the date set forth above.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

[Signature Page to Settlement Agreement to EDGE Tax Credit Agreement]

**SEARS HOLDINGS MANAGEMENT
CORPORATION, a Delaware corporation**

**THE STATE OF ILLINOIS, ACTING
BY AND THROUGH ITS
DEPARTMENT OF COMMERCE AND
ECONOMIC OPPORTUNITY**

By:  ^{7 (1) (b)}

Its: General Counsel

Date: 12/15/17

 ^{7 (1) (b)}
By: 

Its: Director

Date: 12/15/17

SEARS HOLDINGS

Jonathan Bredemeier
Sr. Director, Real Estate and Corporate
Services

Sears Holdings Management Corporation
3333 Beverly Road BC-154A
Hoffman Estates, IL 60179
(847) 286-8358
Fax (847) 286-3470
Email Jon.Bredemeier@searshc.com

November 27, 2017

James H. Norris
Village Manager
Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169

Re: EDA Distribution

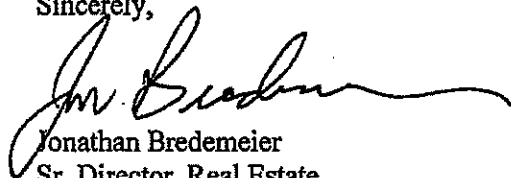
Dear Mr. Norris:

Thank you for your letter dated November 7, 2017 regarding the EDA distribution for 2017. Please be advised that, pursuant to Public Act 097-0636, as of the date of this letter, over 4250 jobs exist at the Sears Holdings' campus in Hoffman Estates. Please be further advised that at no time in 2017 did the number of jobs dip below the requisite 4250 jobs.

Sears Holdings appreciates the ongoing relationship we enjoy with the Village of Hoffman Estates and the surrounding community. As one of the State's largest employers and taxpayers, we are proud of the positive impact we have had on the area for more than two decades: hundreds of millions in infrastructure development dollars have been invested plus thousands of direct jobs (thousands more ancillary jobs) have been created and maintained.

Should you have any further questions, please do not hesitate to ask.

Sincerely,



Jonathan Bredemeier
Sr. Director, Real Estate
and Corporate Services

cc: Jason Pollak, Assistant General Counsel
Arthur Janura, Corporation Counsel

EXHIBIT

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10/10/2018

Pg 221 of 271
Sears lays off 220 employees at corporate offices

RETAIL

APPAREL | DISCOUNTERS | DEPARTMENT STORES | E-COMMERCE | FOOD AND BEVERAGE | RESTAURANTS | HOUSEHOLD PRODUCTS

Sears lays off 220 employees at corporate offices

- Sears is laying off 220 employees primarily at the company's corporate headquarters.



MARKETS



BUSINESS NEWS



CNBC TV



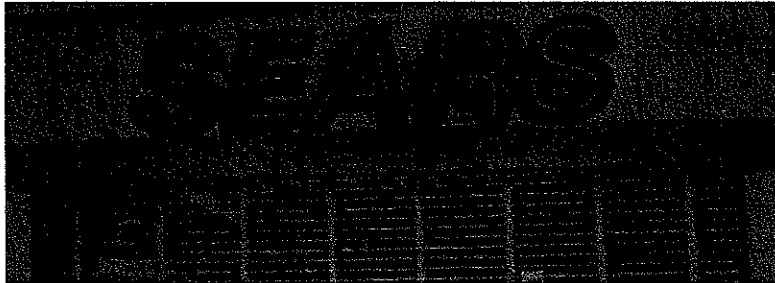
MENU

• The moves are part of the department store chain's ongoing restructuring plan.

BREAKING NEWS

Lauren Thomas | Lauren Hirsch

Published 2:56 PM ET Wed, 31 Jan 2018 | Updr 8 PM ET Wed, 31 Jan 2018



Sears lays off 220 employees at corporate offices

6:14 PM ET Wed, 31 Jan 2018 | 00:42

Sears Holdings on Wednesday laid off 220 employees primarily at the company's corporate headquarters in Hoffman Estates, Illinois, effective immediately.

The job cuts impacted various business units and roles across the retail organization, a spokesman told CNBC. The moves are part of the department store chain's ongoing restructuring plan, announced earlier this month, to streamline operations and get back to profitability.

"The company continues to achieve significant progress in our restructuring program, with actions taken in fiscal year 2017 to

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realize \$1.25 billion in annualized cost savings," the spokesman said.

Earlier this month, the retailer also outlined its plans to shutter more than 100 locations under the Sears and Kmart banners, impacting hundreds of other part-time positions as those stores go dark.

The company has said it will offer severance and transition assistance to those employees who are eligible. It wasn't immediately clear how many people still work at Sears' corporate headquarters, and the company declined to comment.

Coming off a disappointing holiday season, Sears is looking for ways to drive sales and is considering further monetizing some of its other assets, including the Kenmore and DieHard brands, and Sears Home Services.

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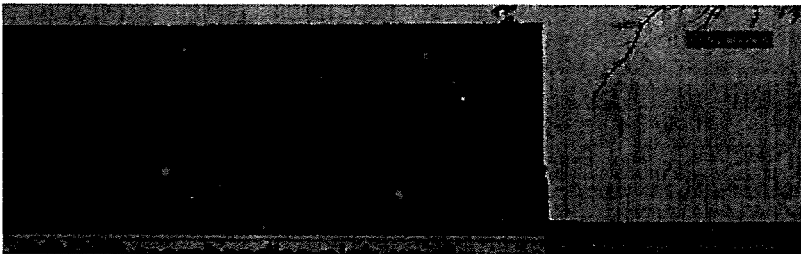
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by Taboola



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Sears warns it will consider 'all options' if efforts to refinance \$1 billion fail

11:05 AM ET Wed, 10 Jan 2018 | 01:06



Lauren Thomas
Retail Reporter

Lauren Hirsch
Retail Reporter for CNBC.com

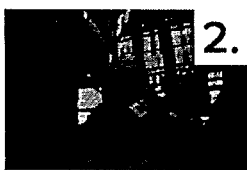
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July 30, 2018

Jonathan Bredemeier
Senior Director, Real Estate and Corporate Services
Sears Holdings Management Corporation
3333 Beverly Road, BC-154A
Hoffman Estates, IL 60179

**RE: Economic Development Area
Sears Headquarters Campus Job Count**

Dear Mr. Bredemeier:

I am an attorney for Community Unit School District 300. Pursuant to the Illinois Economic Development Area Tax Increment Allocation Act (20 ILCS 620/1 *et seq.*) (the "Act"), Sears Holdings Management Corporation (Sears) annually informs the Village of Hoffman Estates as to the number of jobs maintained at the Sears headquarters campus in Hoffman Estates. Under the Act, Sears is required to maintain at least 4,250 jobs at the campus in order to qualify to receive millions of dollars in property tax proceeds generated by the Economic Development Area ("EDA").

Media reports over the past year have raised legitimate concern as to the number of jobs maintained in the EDA. Such reports suggest that Sears may no longer qualify for Economic Development for a Growing Economic (EDGE) tax credits because it no longer has 4,250 employees at the headquarters campus. Media reports following Sears' most recent announcement that it is again cutting hundreds of jobs at its headquarters indicated that a Sears' spokesperson declined to say how many jobs at now at the Sears headquarters campus.

School District 300 is understandably concerned about the proper administration of the EDA. Millions of property tax dollars are diverted from the school district and other local governments based on the promise that Sears will maintain 4,250 jobs at its headquarters. In light of the ongoing media coverage, School District 300 requests that Sears provide corroborating evidence to support its assertion that it maintained 4,250 jobs during calendar year 2017. In addition, the school district asks for a commitment from Sears that it will provide corroborating evidence in support of any assertion as to the number of jobs maintained during 2018 prior to any distribution of funds under the EDA for 2018.

School District 300 welcomes open communication with Sears about the administration of the EDA. Clarification and corroboration on whether and how Sears is maintaining the requisite 4,250 jobs in the face of continuing layoffs is a critical concern for the school district.

EXHIBIT

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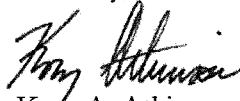
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Jonathan Bredemeier
Sears Holdings Management Corporation
July 30, 2018
Page 2

I appreciate your prompt attention and response to this letter.

Sincerely,


Kory A. Atkinson

cc: Jason Pollak, Assistant General Counsel, Sears Holdings Management Corporation
Arthur Janura, Corporation Counsel, Village of Hoffman Estates
Fred Heid, Superintendent, Community Unit School District 300
Susan Harkin, Chief Operating Officer/CSBO, Community Unit School District 300

FILED 08/07/2018 11:03 PM 2018CH12683



NEAL GERBER EISENBERG

August 24, 2018

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Attorney at Law

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Fax 312.578.1544
dmartin@nge.com

Via Email and US Mail

Mr. Kory Atkinson
236 West Lake Street, Suite 100
Bloomington, Illinois 60108

Re: Sears Property Tax

Dear Kory:

Thank you for your email that attached your letter to Jonathan Bredemeier. Regarding whether Sears would reconsider and accept notes in lieu of a tax refund the answer is no. I assume School District 300 is aware that its appraisal and expert opinion supports a refund of about \$4,600,000 for each of the pending PTAB appeals 2013 through 2015. Sears expert opines a value that would generate a refund of about \$8,400,000 for each of the 3 years. Sears is open to a set off for property tax deemed illegal by a settlement, which it has previously received pursuant to an annual increment allocation. Sears is also open to discussing refunds being paid incrementally. However, if settlement is not reached refunds would be paid in full at one time and it is presumed that based on the parties expert opinions the refund amount would be between \$4,600,000 and \$8,400,000 for each year.

Regarding the letter to Jonathan Bredemeier that was attached to your email, I offer the following observations.

- First, any issue relating to the number of jobs maintained within the EDA are unrelated to the property tax appeals pending at the PTAB. These 2 matters are wholly independent of each other and will be treated as such by Sears.
- Secondly, Sears has no obligation to provide School District 300 with any information regarding "jobs" within the EDA. Sears has not provided this information to School District 300 in the past and sees no reason to begin doing so now.

I look forward to further discussions relating to the pending PTAB appeals.

Very truly yours,

David S. Martin

DSM:kb
014311.0002:28253491.2

EXHIBIT
10

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.¹
-----X

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:
:
:
:

Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

AMENDED STIPULATION AND ORDER
BY AND AMONG THE VILLAGE OF HOFFMAN ESTATES, THE DEBTORS,
AND THE COMMUNITY UNIT SCHOOL DISTRICT 300 CONCERNING
2017 EDA FUNDS HELD IN THE SPECIAL TAX ALLOCATION FUND

WHEREAS, on October 10, 2018, Community Unit School District 300 (the “**School District**”) brought suit against the Village of Hoffman Estates (the “**Village**”) and Sears Holdings Corporation (“**SHC**,” and together with certain of its affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases, collectively, the “**Debtors**”) (each a “**Party**” and collectively, the “**Parties**”) in the Circuit Court of Cook County, State of Illinois

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

(the “**Circuit Court**”), in a matter styled *Community Unit School District 300 v. Village of Hoffman Estates, et al.*, Case No. 2018 CH 12683 (the “**Illinois Action**”), seeking declaratory, injunctive and other relief arising from SHC’s alleged failure to comply with certain terms and conditions of the Economic Development Area and Tax Increment Allocation Act, 20 ILCS 620/1 *et seq.* (the “**EDA Act**”) and an economic development agreement entered into by and between the Village and Sears, Roebuck and Co., as the developer (“**Sears**”) (the “**EDA Agreement**”) under to the EDA Act, pursuant to which the developer (as set forth in the EDA Act) receives annual distributions from the Village’s special tax allocation fund maintained under the EDA Act (the “**Special Tax Allocation Fund**” and the funds therein, the “**EDA Funds**”).

WHEREAS, at the time the School District filed the Illinois Action, the Village was holding EDA Funds consisting of property taxes levied for tax year 2017 that were extended and collected in calendar year 2018 in the Special Tax Allocation Fund (the “**2017 EDA Funds**”), which 2017 EDA Funds — if Sears was compliant with the relevant terms and conditions of the EDA Act and EDA Agreement — were projected to be distributed fifty-five percent (55%) to Sears (the “**55% Portion**”), and forty-five percent (45%) to various taxing districts within the State of Illinois (the “**45% Portion**”) pursuant to the EDA Act and EDA Agreement.

WHEREAS, on October 15, 2018, the Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”), staying the Illinois Action pursuant to section 362 of the Bankruptcy Code.

WHEREAS, on November 12, 2018, the School District filed its *Motion of Community Unit School District 300 for Relief From the Automatic Stay or, in the Alternative, for Abstention* (ECF No. 652) (the “**Abstention Motion**”), pursuant to which the School District sought the entry of an order granting relief from the automatic stay or the Bankruptcy Court abstaining from hearing matters relating to the Illinois Action.

WHEREAS, on December 17, 2018, the Debtors filed their Objection to the Abstention Motion (ECF No. 1280).

WHEREAS, on January 11, 2019, the Bankruptcy Court entered a stipulation and order (the “**Stipulated Order**”) that, among other things, authorized and directed the Village to (i) distribute the 45% Portion of the 2017 EDA Funds and (ii) continue to hold in the Special Tax Allocation Fund the remaining 55% Portion pending further order of the Bankruptcy Court or an agreement among the Parties (ECF No. 1548).

WHEREAS, following the distribution of the 45% Portion in accordance with the Stipulated Order, on February 28, 2019, the Debtors filed their *Motion to Compel Turnover of Estate Property* (ECF No. 2715) (the “**Turnover Motion**”), seeking turnover of the remaining 55% Portion, or approximately \$9.7 million, which the Village continued to hold in the Special Tax Allocation Fund pursuant to the Stipulated Order.

WHEREAS, the School District objected to the Turnover Motion (ECF No. 2996) and, in the alternative, requested the Bankruptcy Court to abstain from the issues raised therein and allow those issues to be litigated in the Circuit Court in connection with the Illinois Action.

WHEREAS, following a hearing on the Turnover Motion and the Abstention Motion on April 18, 2019, the Bankruptcy Court issued (i) the *Order Granting Community Unit School*

District 300's Motion for Abstention (ECF No. 3362) (the “**Abstention Order**”) allowing the Circuit Court to adjudicate the issues raised in the Turnover Motion; and (ii) the *Order Directing Partial Turnover of EDA Funds to Debtors and Reserving the Balance Pending Court Order* (ECF No. 3666) ordering and directing the Village (a) to disburse to Debtor Sears \$2,508,660.33 of the 2017 EDA Funds held in the Special Tax Allocation Fund and (b) to continue to hold in the Special Tax Allocation Fund the balance of the 2017 EDA Funds in the amount of \$7,153,317.

WHEREAS, following entry of the Abstention Order, the Parties filed in the Circuit Court their respective summary judgment cross-motions as to the issues raised in the Turnover Motion.

WHEREAS, the Debtors and the School District have reached an agreement to resolve all of the outstanding litigation concerning the Turnover Motion, the balance of the 2017 EDA Funds held in the Special Tax Allocation Fund by the Village pursuant to the Stipulated Order, and the School District's remaining claims and objections to confirmation of the *Modified Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors* (ECF No. 4476) (as the same may be amended or modified, the “**Plan**”).

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the Debtors, the Village (solely in respect of paragraphs 3, 5, 6, and 16 through 24 hereof) and the School District, and upon Bankruptcy Court approval it shall hereby be **ORDERED** that:

1. Subject to the terms and conditions of this Stipulation and Order, the School District agrees to:

- i. Release all claims with respect to the 2017 EDA Funds, in whole or in part, whether asserted or not, known or unknown;
- ii. Withdraw with prejudice any complaint, claim, motion, pleading, or other litigation seeking to prevent Sears from receiving the 2017 EDA Funds;
- iii. Dismiss with prejudice all claims seeking a monetary recovery asserted against the Debtors in the Illinois Action and waive its right to recover from the Debtors, their bankruptcy estates, or any Liquidating Trust or Liquidating Trustee, monetary claims with respect to EDA Funds consisting of property taxes levied prior to 2017, provided however, that notwithstanding anything to the contrary in this paragraph 1.iii., the School District shall be entitled to: (a) seek recovery from parties other than the Debtors, their bankruptcy estates, and any Liquidating Trust and Liquidating Trustee, for property taxes levied prior to 2017 and EDA Funds other than the 2017 EDA Funds, notwithstanding whether such third parties may have, as a result, contribution or other claims against the Debtors; (b) seek declaratory relief against the Debtors with respect to their past compliance with the terms and conditions of the EDA Act and the EDA Agreement to the extent necessary in connection with pursuing claims against parties other than the Debtors, their bankruptcy estates, and any Liquidating Trust and Liquidating Trustee so long as any such action is not inconsistent with this Stipulation and Order and does not seek monetary relief including costs against the Debtors; and (c) to the extent necessary to preserve and recover cure claims with respect to property taxes levied prior to 2017, and EDA Funds previously rebated to the Debtors, other than the 2017 EDA Funds, or to the extent necessary to object to any effort to assume, or assume and assign the EDA Agreement, pursuant to section 365 of the Bankruptcy Code;
- iv. Withdraw with prejudice the *Objection of Community Unit School District 300 to Confirmation of the Plan* (ECF No. 4713) and *Supplemental Objection of Community Unit School District 300 to Confirmation of the Plan* (ECF No. 5005) (together with ECF No. 4713, the “**School District’s Plan Objections**”);
- v. Withdraw with prejudice all of its voting ballots submitted as to the Plan, provided that the School District shall be deemed to have opted out of the third party releases set forth in Section 15.9(b) of the Plan;
- vi. Withdraw with prejudice all proofs of claim filed against Sears, SHC, or any other Debtor, except that such withdrawal shall not prejudice or be deemed to constitute a waiver of any claims or rights of the School District to: (a) seek declaratory relief against the Debtors with respect to

their past compliance with the terms and conditions of the EDA Act and the EDA Agreement in connection with pursuing claims against parties other than the Debtors, their bankruptcy estates, and any Liquidating Trust and Liquidating Trustee so long as any such action is not inconsistent with this Stipulation and Order and does not seek monetary relief including costs against the Debtors; and (b) preserve and recover cure claims with respect to property taxes levied prior to 2017, and EDA Funds previously rebated to the Debtors, other than the 2017 EDA Funds, or to object to any effort to assume, or assume and assign the EDA Agreement, pursuant to section 365 of the Bankruptcy Code; and

- vii. Release all rights to recovery against Debtors or their bankruptcy estates, including through a constructive trust, provided however, that notwithstanding anything to the contrary in this paragraph 1.vii., the School District shall be entitled to: (a) seek recovery from parties other than the Debtors, their bankruptcy estates, and any Liquidating Trust and Liquidating Trustee for property taxes levied prior to 2017 and EDA Funds other than the 2017 EDA Funds, notwithstanding whether such third parties may have, as a result, contribution or other claims against the Debtors; (b) maintain to the extent necessary claims against the Debtors seeking declaratory relief with respect to the Debtors' compliance with the terms and conditions of the EDA Act and the EDA Agreement in connection with pursuing claims against parties other than the Debtors, their bankruptcy estates, and any Liquidating Trust and Liquidating Trustee so long as any such action is not inconsistent with this Stipulation and Order and does not seek monetary relief including costs against the Debtors; and (c) retain claims with respect to property taxes levied prior to 2017, and EDA Funds previously rebated to the Debtors, other than those related to 2017 EDA Funds, to the extent necessary to preserve and recover cure claims, or to object to any effort to assume, or assume and assign the EDA Agreement, pursuant to section 365 of the Bankruptcy Code.

2. In consideration of the mutual covenants and agreements contained herein and subject to the terms and conditions of this Stipulation and Order, Debtors agree to relinquish any right they may have, in whole or in part, whether asserted or not, known or unknown, with respect to EDA Funds consisting of property taxes levied for tax year 2018 that were extended and collected in calendar year 2019 in the Special Tax Allocation Fund (the “**2018 EDA**

Funds”) and otherwise, if applicable, relinquish any rights, claims or interests to any subsequent years’ EDA Funds.

3. As a result of this Stipulation and Order, and there being no further claims or objections to the distribution of the balance of the 2017 EDA Funds residing in the Special Tax Allocation Fund, the Village is hereby ordered and directed to take all necessary steps to distribute such remaining 2017 EDA Funds in the manner described below:

- a. The Village is ordered and directed to disburse to Sears, as the developer, 2017 EDA Funds in the amount of \$5,153,317.00 currently held in the Special Tax Allocation Fund; and
- b. Simultaneously with the disbursement to Sears, the Village is ordered and directed to disburse to the School District 2017 EDA Funds in the amount of \$2,000,000.00 currently held in the Special Tax Allocation Fund that were otherwise to be disbursed to Sears as the developer pursuant to the EDA Act.

4. The School District is hereby deemed to have withdrawn with prejudice its objection to the Turnover Motion (ECF No. 2996).

5. The Parties hereby acknowledge that this Stipulation and Order fully settles those issues involving the disbursement and the recipients of the 2017 EDA Funds raised in the Turnover Motion (but not any EDA Funds related to other years), and that the payments to Sears and the School District referenced in paragraph 2 above shall fully and completely satisfy the Village’s obligations to disburse the 2017 EDA Funds.

6. Sears, the Village, and the School District shall request withdrawal of their respective motions and cross-motions for summary judgment with respect to the 2017 EDA Funds, which motions are currently pending before the Circuit Court in connection with the Illinois Action, as moot.

7. In light of (i) the Debtors' and the School District's settlement as to distribution of the 2017 EDA Funds; (ii) the School District's release of all monetary claims asserted against the Debtors in the Illinois Action and waiver of its right to recover from the Debtors, their bankruptcy estates, and any Liquidating Trust and Liquidating Trustee claims with respect to EDA Funds consisting of property taxes levied prior to 2017; and (iii) the Debtors' relinquishment of any rights, claims, or interests they may have, in whole or in part, whether asserted or not, known or unknown, with respect to the 2018 EDA Funds or any subsequent years' EDA Funds, Debtors stipulate that they have no further interest in the Illinois Action. Accordingly, upon entry of this Stipulation and Order, the Illinois Action and any other issues or disputes arising from or related to the Debtors' compliance with the terms and conditions of the EDA Act and/or the EDA Agreement shall no longer be subject to the automatic stay under section 362 of the Bankruptcy Code, and shall not be subject to any discharge injunction imposed by the Bankruptcy Code, or any injunction imposed pursuant to any plan of liquidation or reorganization filed by the Debtors or other parties in interest, solely to permit the School District to take actions so long as they are consistent with this Stipulation and Order; provided that, for the avoidance of doubt, the School District shall not seek or enforce any judgment against the Debtors. Further, because any claims by the School District with respect to EDA Funds consisting of property taxes levied prior to 2017 as well as EDA Funds consisting of property taxes levied in 2018 now will proceed as part of the Illinois Action, in the interest of efficiency, until such claims are adjudicated in the Illinois Action, the Court shall defer ruling on the issue of whether the Debtors, or any Liquidating Trust or Liquidating Trustee may assume, or

assume or assign the EDA Agreement pursuant to section 365 of the Bankruptcy Code, and any disputes involving cure claims associated with the EDA Agreement.

8. The School District shall dismiss with prejudice all monetary claims to the extent provided in paragraph 1.iii. of this Stipulation and Order.

9. The School District is hereby deemed to have withdrawn with prejudice the School District's Plan Objections.

10. The School District is hereby deemed to have (i) withdrawn with prejudice all of its voting ballots submitted as to the Plan; and (ii) opted out of the third party releases set forth in Section 15.9(b) of the Plan.

11. The School District is hereby deemed to have withdrawn with prejudice all of the School District's Cure Objections, with the exception of its objections to assumption and assignment of the EDA Agreement (asserted in the School District's Cure Objections, as well as in the *Objection and Reservation of Rights of Community Unit School District 300 to Debtors' Notice of Assumption and Assignment of Executory Contracts* (ECF No. 3783)).

12. The School District is hereby deemed to have withdrawn with prejudice all proofs of claim filed against Sears, SHC, or any other Debtor.

13. The School District is hereby deemed to have released with prejudice all rights to recovery against Debtors or their bankruptcy estates, including through a constructive trust.

14. The Debtors are hereby deemed to have relinquished any right, claim or interest they may have, in whole or in part, whether asserted or not, known or unknown, with respect to the 2018 EDA Funds and any subsequent years' EDA Funds.

15. The School District and the Debtors, on behalf of themselves and their past, present, and future officers, directors, board members, employees, agents, advisors, accountants, attorneys, assignees, and representatives or other entities acting on their behalf or through which they claim a beneficial interest (the “**Releasing Parties**”), hereby mutually release and absolutely and forever discharge each other, as well as their past, present, and future companies, subsidiaries, and affiliates, and their respective present and former officers, directors, shareholders, employees, agents, advisors, accountants, attorneys, assignees, and representatives, of and from any and all claims, demands, damages, debts, liabilities, judgments, accounts, obligations, costs, expenses, actions, and causes of action of every kind and nature whatsoever, whether now known or unknown, asserted or which could have been asserted, suspected or unsuspected, choate or inchoate, which the Releasing Parties now have, own, or hold, or at any time heretofore ever had, owned, or held against any of them from the beginning of the world to the date hereof, which arise out of, relate to, or are based upon Sears’ entitlement to receive 2017 EDA Funds either in whole or in part, including any claims arising under section 362 of the Bankruptcy Code. The language of this paragraph shall apply only as consistent with this Stipulation and Order.

16. Notwithstanding anything herein to the contrary, the Village, and its officers, directors, committee members, employees, agents, advisors, representatives, attorneys and other professionals are hereby exculpated and shall have no liability to the limited extent of any and all claims (as defined in Section 101(5) of the Bankruptcy Code), causes of actions, demands, suits, liabilities, obligations, losses, damages, offsets and/or judgments of any kind or nature, whether known or unknown, contingent or non-contingent, statutory or non-statutory, solely arising from,

out of or in any way related to the Village's compliance with this Stipulation and Order. Notwithstanding anything herein to the contrary, nothing in this Stipulation and Order is intended to waive or release any claims, causes of actions, demands, suits, liabilities, obligations, losses, damages, offsets, arguments, defenses, facts, objections, counterclaims or other rights and positions that the School District, the Village or any other party (other than the Debtors) may have related to the distribution and receipt of the EDA Funds and/or the compliance and/or non-compliance with the EDA Act or EDA Agreement in any year other than as expressly provided herein in respect of the 2017 EDA Funds.

17. For avoidance of doubt, nothing herein, including the distributions of the 2017 EDA Funds, is intended or shall be construed to be (a) an admission as to the merits of the Turnover Motion or the School District's objection to the Turnover Motion, (b) an admission as to the merits of the Parties' respective motions and cross-motions for summary judgment pending before the Circuit Court in connection with the Illinois Action, or (c) a waiver of any Party's right to assert any facts or contentions relating to compliance and/or non-compliance with the EDA Act or the EDA Agreement.

18. Notwithstanding anything to the contrary, nothing in this Stipulation and Order, including, without limitation, the School District's withdrawal with prejudice of any complaint, claim, motion, pleading, or other litigation seeking to prevent Sears from receiving the 2017 EDA Funds, is intended or shall be construed to (i) waive or release any claims, causes of actions, demands, suits, liabilities, obligations, losses, damages, offsets, arguments, defenses, facts, objections, counterclaims or other rights and positions that the School District, the Village, Transform Holdco LLC, Transform SR Holding Management, LLC, TF Hoffman Estates IL,

LLC, or any other third party may have with respect to the Debtors' compliance with the EDA Act and/or EDA Agreement, disbursements of the 2018 EDA Funds or any subsequent years' EDA Funds, as well as any cure claims that might be asserted arising under, or the Debtors' ability to assume, or assume and assign the EDA Agreement pursuant to section 365 of the Bankruptcy Code, or (ii) constitute any finding or determination as to whether any defaults exist under the EDA Agreement with respect to property taxes levied in tax years prior to 2017. Further, nothing in this Stipulation and Order is intended to or shall be construed to waive or release any claims, causes of actions, demands, suits, liabilities, obligations, losses, damages, offsets, arguments, defenses, facts, objections, counterclaims or other rights and positions of any third-parties, including the Debtors' assignee to the EDA Agreement, as to the impact of the releases negotiated by and among the parties herein. Further, nothing in this Stipulation and Order shall waive, extinguish, or otherwise release the rights, if any, of Debtors' assignee to the EDA Agreement, as applicable, to EDA Funds levied for tax year 2018 or for any subsequent years.

19. In withdrawing with prejudice any complaint, claim, motion, or other litigation seeking to prevent Sears from receiving the 2017 EDA Funds, in dismissing with prejudice all claims against SHC asserted in the Illinois Action, and in releasing all claims to EDA Funds consisting of property taxes levied prior to 2017 to the extent provided herein, the School District will not be deemed to have admitted that, nor will the Court be deemed to have made a finding with respect to: (i) the issue of whether the Village, SHC, or any other Debtor, to the extent relevant, have complied with the terms and conditions of the EDA Act and/or the EDA Agreement; (ii) the issue of whether the School District or other parties have valid cure claims

under section 365 of the Bankruptcy Code; or (iii) whether the Debtors are entitled to assume, or assume and assign the EDA Agreement pursuant to section 365 of the Bankruptcy Code.

20. Each of the undersigned counsel represents that he/she is authorized to execute this Stipulation and Order on behalf of his/her respective clients.

21. This Stipulation and Order may be executed in multiple counterparts, any of which may be transmitted by facsimile, and each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

22. Notwithstanding the possible applicability of Bankruptcy Rules 6004(g), 7062, 9014, or otherwise, the terms and conditions of this Stipulation and Order shall be immediately effective and enforceable upon approval of the Bankruptcy Court.

23. To the extent there is any inconsistency with the Plan, this Stipulation and Order shall supersede and govern.

24. The Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Stipulation and Order.

(Signature page follows)

CONSENTED AND AGREED TO:

VILLAGE OF HOFFMAN ESTATES

DEBTORS AND DEBTORS IN POSSESSION

By: /s/ Michael Schein
One of its Attorneys

By: /s/ Sunny Singh
One of Their Attorneys

Michael Schein
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Vedder Price P.C.
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COMMUNITY UNIT SCHOOL DISTRICT 300

By: /s/ Kenneth Florey
One of its Attorneys

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631 E. Boughton Road, Suite 200
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SO ORDERED THIS

23rd day of October, 2019
White Plains, New York

/s/ Robert D. Drain
THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 2

**IN THE CIRCUIT COURT OF COOK COUNTY
COUNTY DEPARTMENT, CHANCERY DIVISION**

COMMUNITY UNIT SCHOOL DISTRICT 300,)
an Illinois school district, BARRINGTON PUBLIC)
LIBRARY DISTRICT, an Illinois public library,)
ELGIN COMMUNITY COLLEGE, an Illinois)
community college district, BARRINGTON)
TOWNSHIP, an Illinois township,)
METROPOLITAN WATER RECLAMATION)
DISTRICT OF GREATER CHICAGO, an Illinois)
special purpose district, and SCHOOL)
DISTRICT U-46, an Illinois public school district,)

Plaintiffs,)

v.)

VILLAGE OF HOFFMAN ESTATES,)
an Illinois municipal corporation; and SEARS)
HOLDINGS CORPORATION,)
a Delaware corporation, SEARS, ROEBUCK)
& CO., a New York Corporation. KMART)
HOLDING CORPORATION, a Delaware)
corporation, SEARS HOLDINGS)
MANAGEMENT CORPORATION, a Delaware)
corporation, TRANSFORM HOLDCO LLC,)
a Delaware Limited Liability company,)
TRANSFORM SR HOLDING)
MANAGEMENT, LLC, a Delaware Limited)
liability Company, and TF HOFFMAN ESTATES)
IL, LLC, a Delaware limited liability company,)
HOFFMAN ESTATES PARK DISTRICT, an)
Illinois park district, NORTHWEST MOSQUITO)
ABATEMENT DISTRICT, an Illinois mosquito)
abatement district, COOK COUNTY FOREST)
PRESERVE, an Illinois forest preserve, COOK)
COUNTY, an Illinois county, and POPLAR)
CREEK LIBRARY DISTRICT, an Illinois public)
library district.)

Defendants.)

2018 CH 12683

SETTLEMENT AGREEMENT

This Settlement Agreement (“**Settlement Agreement**”) is made by and among the following parties:

- a. Community Unit School District 300, an Illinois school district (“**District 300**”);
- b. Transform Holdco LLC, a Delaware limited liability company; Transform SR Holding Management, LLC, a Delaware limited liability company; TF Hoffman Estates IL, LLC, a Delaware limited liability company; Transform SR LLC, a Delaware limited liability company, and all subsidiaries, successors, and assigns (collectively, “**Transform**”);
- c. Elgin Community College District 509, an Illinois community college district;
- d. Metropolitan Water Reclamation District of Greater Chicago, an Illinois water reclamation district;
- e. Barrington Township, an Illinois Township;
- f. School District U-46, and Illinois school district;
- g. Barrington Public Library District, an Illinois public library district;

as of the date fully executed by all parties, and is as follows:

WHEREAS, on October 10, 2018, plaintiff District 300 filed this action (the “**Illinois Action**”) against the Village of Hoffman Estates, Illinois, an Illinois municipal corporation (the “**Village**”) and Sears Holdings Corporation, a Delaware corporation, Sears, Roebuck and Co., a New York corporation; Kmart Holding Corporation, a Delaware corporation; and Sears Holdings Management Corporation, a Delaware corporation (collectively, “**Sears**”), seeking declaratory, injunctive and other relief arising from Sears’ alleged failure to comply with certain terms and conditions of the Economic Development Area and Tax Increment Allocation Act, 20 ILCS 620/1 *et seq.* (the “**EDA Act**”) and an Economic Development Agreement entered into by and between the Village and Sears, Roebuck and Co., as the developer pursuant to the EDA Act (the “**EDA**

Agreement”), pursuant to which Sears receives annual distributions from the Village’s special tax allocation fund maintained under the EDA Act (the “**Special Tax Allocation Fund**” and the funds therein, the “**EDA Funds**”); and

WHEREAS, at the time District 300 filed this action, the Village was holding EDA Funds consisting of property taxes levied for tax year 2017 that were extended and collected in calendar year 2018 in the Special Tax Allocation Fund (the “**2017 EDA Funds**”), which 2017 EDA Funds – if Sears was compliant with the relevant terms and conditions of the EDA Act and EDA Agreement – were projected to be distributed fifty-five percent (55%) to the developer (the “**55% Portion**”), and forty-five percent (45%) to various taxing districts within the State of Illinois (the “**45% Portion**”) pursuant to the EDA Act and EDA Agreement.

WHEREAS, on October 15, 2018, Sears and certain other debtors (collectively, the “**Debtors**”) filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Southern District of New York (the “**Bankruptcy Court**”); staying the Illinois Action pursuant to section 362 of the Bankruptcy Code; and

WHEREAS, on November 12, 2018, District 300 filed its *Motion of Community Unit School District 300 for Relief From the Automatic Stay or, in the Alternative, for Abstention* (ECF No. 652) (the “**Abstention Motion**”), pursuant to which District 300 sought the entry of an order granting relief from the automatic stay or the Bankruptcy Court abstaining from hearing matters relating to this action; and on December 17, 2018, the Debtors filed their Objection to the Abstention Motion (ECF No. 1280); and

WHEREAS, on January 11, 2019, the Bankruptcy Court entered a stipulation and order (the “**Stipulated Order**”) that, among other things, authorized and directed the Village to (i)

distribute the 45% Portion of the 2017 EDA Funds and (ii) continue to hold in the Special Tax Allocation Fund the remaining 55% Portion pending further order of the Bankruptcy Court or an agreement among the Parties (ECF No. 1548); and

WHEREAS, following the distribution of the 45% Portion in accordance with the Stipulated Order, on February 28, 2019, the Debtors filed their *Motion to Compel Turnover of Estate Property* (ECF No. 2715) (the “**Turnover Motion**”), seeking turnover of the remaining 55% Portion, which the Village continued to hold in the Special Tax Allocation Fund pursuant to the Stipulated Order; and District 300 objected to the Turnover Motion (ECF No. 2996) and, in the alternative, requested the Bankruptcy Court to abstain from the issues raised therein and allow those issues to be litigated in the Circuit Court in connection with this action; and

WHEREAS, following a hearing on the Turnover Motion and the Abstention Motion on April 18, 2019, the Bankruptcy Court issued (i) the *Order Granting Community Unit School District 300’s Motion for Abstention* (ECF No. 3362) (the “**Abstention Order**”) allowing the Circuit Court to adjudicate the issues raised in the Turnover Motion; and (ii) the *Order Directing Partial Turnover of EDA Funds to Debtors and Reserving the Balance Pending Court Order* (ECF No. 3666) ordering and directing the Village (a) to disburse to Debtor Sears a portion of the 2017 EDA Funds held in the Special Tax Allocation Fund and (b) to continue to hold in the Special Tax Allocation Fund the balance of the 2017 EDA Funds; and

WHEREAS, following entry of the Abstention Order, the Parties filed in the Circuit Court their respective summary judgment cross-motions as to the issues raised in the Turnover Motion; and

WHEREAS, Transform has asserted an interest in the EDA Agreement and the funds associated with the EDA Act due to its affiliate relationship with Transform SR LLC, to whom

certain assets of Sears, Roebuck and Co. were assigned by order of the Bankruptcy Court through the Asset Purchase Agreement (“APA”), pursuant to which the APA, among other matters, granted Transform the authority to designate for assignment and assumption, subject to further order of the Bankruptcy Court in the event of an unresolved objection, the Debtors’ interests in certain executory contracts and unexpired leases; and

WHEREAS, pursuant to the APA and Section 365 of the Bankruptcy Code, Transform designated the EDA Agreement for assumption and assignment; and

WHEREAS, District 300 filed objections to said assignment and assumption of the EDA Agreement which are pending resolution in the Bankruptcy Court, as a result of which the assumption and assignment has not become effective; and

WHEREAS, Transform acquired its interest in the former Sears Headquarters Complex (“Sears Headquarters”) located within the EDA District via the APA from Sears by which, among many other rights and duties and the Bankruptcy Code, Transform may withdraw its designation to assume the EDA Agreement, and the time in which it may withdraw its designation of such interests has not expired; and

WHEREAS, on August 16, 2019, District 300 filed its First Amended Complaint in this action, adding the Transform entities as party defendants; and

WHEREAS, the Parties including Transform re-filed their responsive pleadings and respective summary judgment cross-motions as to the issues raised in the Turnover Motion; and

WHEREAS, on October 23, 2019, the Bankruptcy Court entered an amended stipulation and order in which Sears and District 300 reached an agreement, related to the balance of the 2017 EDA Funds held in the Special Tax Allocation Fund by the Village pursuant to the Stipulated Order, and the School District’s remaining claims and objections to confirmation of the *Modified*

Second Amended Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors
(ECF No. 4476) (the “**Plan**”); and

WHEREAS, on November 12, 2019, District 300 filed its Second Amended Complaint in this action which, among other things, named the remaining taxing districts projected to receive distributions of the 45% Portion of the EDA Funds, including Barrington Public Library, Hoffman Estates Park District, Elgin Community College District 509, Northwest Mosquito Abatement District, Metropolitan Water Reclamation District of Chicago, Barrington Township, Cook County Forest Preserve, County of Cook, School District U-46 and Poplar Creek Library District (collectively, the “**Remaining Taxing Districts**”); Transform, the Village and Sears thereafter filed motions to dismiss the Second Amended Complaint; and

WHEREAS, on January 24, 2020, District 300 moved for leave to file a Third Amended Complaint; and

WHEREAS, on February 2, 2020, the Circuit Court entered an order re-aligning some but not all of the Remaining Taxing Districts from defendants to plaintiffs in this action; and

WHEREAS, the plaintiffs and the non-private defendants are hereafter referred to as the “**Taxing Districts**”; and

WHEREAS, on February 20, 2020, an Agreed Order was entered in this action distributing the 45% Portion of the 2018 EDA Funds, but holding the 55% Portion of the 2018 EDA Funds pending further order of this Court; and

WHEREAS, on March 12, 2020, in lieu of filing a Third Amended Complaint, District 300 and the re-aligned plaintiffs moved for leave to file a Fourth Amended Complaint; and

WHEREAS, on July 8, 2020, with leave of court, District 300 and the re-aligned plaintiffs filed their Fourth Amended Complaint; to which certain defendants have answered and which

Sears and the Village have moved to dismiss; and

WHEREAS, EDA Funds presently held in the Special Tax Allocation Fund, subject to this action, consist of:

- a. a remaining portion of property taxes levied for the tax year 2018 and scheduled to be paid to the Taxing Districts in calendar year 2019 (the “**2018 EDA Funds**”), and
- b. property taxes levied for the tax year 2019 and scheduled to be paid to the Taxing Districts in calendar year 2020 (the “**2019 EDA Funds**”); and

WHEREAS, on September 8, 2020, Sears admitted in its Motion to Dismiss Fourth Amended Complaint in this action:

1. Sears has no legal interest in this case. All monetary claims asserted against or by Sears for EDA Funds for any year have been released, dismissed with prejudice, or forever relinquished.

.

9. . . . Sears has relinquished any right it may have to 2018 EDA Funds and any subsequent years’ EDA Funds as part of the Stipulation and Order [in the Bankruptcy Court].

and

WHEREAS, to avoid the uncertainties, costs and expenses of further litigation, the parties to this Settlement Agreement (the “**Parties**”) have reached an agreement on the terms set forth herein, *inter alia* (a) to resolve Transform’s position in this action; (b) to allow the distribution of the 55% Portion of the 2018 taxes collected in 2019; (c) to withdraw Transform’s designation for assumption and assignment of, and disclaim any and all interests in, the EDA Agreement, provided that Sears agrees to thereafter reject the EDA Agreement, each before the Bankruptcy Court; (d) to terminate the EDA Agreement; and (e) to resolve certain remaining issues in this action;

NOW THEREFORE, in consideration of the foregoing and the mutual promises and

covenants contained herein, it is hereby stipulated and agreed to by and among the Parties, and upon Bankruptcy Court approval it shall hereby be ordered that:

1. The above recitals are incorporated and included in the terms of this Agreement.

Actions to Implement Agreement

2. Transform and the Plaintiffs agree that the following actions will be taken to implement the terms of this Settlement Agreement:

(a) Upon execution by Sears and District 300 of an Order and Stipulation in the form attached to and included in this Agreement as Exhibit A (the “**EDA Stipulation**”), stipulating to (i) Transform’s irrevocable withdrawal of its designation of the EDA Agreement as an executory contract to be assumed and assigned to Transform pursuant to the terms of the APA; and (ii) Sears’ irrevocable rejection of the EDA Agreement pursuant to Section 365 of the Bankruptcy Code and the terms of the Plan, as the same has been modified and amended; then within 1 business day after Sears executes the EDA Stipulation, Transform shall execute and Transform and District 300 shall file the EDA Stipulation with and for approval by the Bankruptcy Court;

(b) In the event that Sears does not execute the EDA Stipulation by October 30, 2020, District 300 shall, no later than November 3, 2020, file a motion in the Bankruptcy Court, in form and substance reasonably satisfactory to each of District 300 and Transform, to compel Sears to immediately reject the EDA Agreement upon Transform’s withdrawal of its designation of the EDA Agreement as an executory contract to be assumed and assigned to Transform pursuant to the terms of the APA, and Transform shall, concurrently with the filing of said motion, file a notice in the Bankruptcy Court that it shall withdraw said designation contingent on Sears’ rejection;

(c) Within 1 business day after either (i) the Bankruptcy Court approves the EDA Stipulation, or (ii) the Bankruptcy Court grants District’s 300’s motion to compel and orders the rejection by Sears of the EDA Agreement, Plaintiffs as applicable and Transform shall request the Court in the Illinois Action to enter, and Plaintiffs as applicable and Transform shall diligently pursue, an Order that is final and appealable per Rule 304(a) for the Village to release the 55% Portion of the 2018 EDA Funds to the Taxing Districts.

3. Subject to the occurrence of those events described in paragraph 2 above, and the Village’s release of the 55% portion of the 2018 EDA Funds to the Taxing Districts, either with Village’s consent or pursuant to a final and non-appealable order per Rule 304(a), Plaintiffs

shall (a) within 5 business days pay Transform the sum of \$900,000 (Nine Hundred Thousand Dollars), and (b) dismiss Transform from the Illinois Action with prejudice.

4. Subject to the occurrence of those events described in paragraph 2 above, in the event of the Village's release of the 55% portion of the 2019 EDA Funds to the Taxing Districts, either with Village's consent or pursuant to a final and non-appealable order per Rule 304(a), before or upon termination of the EDA Agreement, plaintiffs shall within 5 business days pay Transform the additional sum of \$300,000 (Three Hundred Thousand Dollars).

5. Upon termination of the EDA Agreement, whether in accordance with its terms, through a final and non-appealable order per Rule 304(a) in the Illinois Action, or by agreement with the Village and Sears (if required by law), Plaintiffs shall within 5 business days pay Transform the remaining sum of \$1,700,000 (One Million Seven Hundred Thousand Dollars).

6. Provided that Transform is paid the total sum of \$2,900,000 (Two Million Nine Hundred Thousand Dollars) by Plaintiffs, Transform shall not seek any portion of the EDA Funds or any other funds related to the EDA District and EDA Agreement.

7. The Parties have declared their intent that the EDA Agreement shall be deemed terminated.

8. If either (i) the Bankruptcy Court does not approve the EDA Stipulation, or (ii) the Bankruptcy Court does not grant District's 300's motion to compel, ordering the rejection by Sears of the EDA Agreement, by November 16, 2020, Transform may terminate this Agreement by providing written notice to the School District provided that Transform may not terminate this Agreement after the Bankruptcy Court has either approved the EDA Stipulation or granted District 300's motion to compel and ordered Sears rejection of the EDA Agreement.

. In the event of such termination, this Agreement shall be null and void and of no further force or effect whatsoever, returning the parties to the status quo ante.

Mutual Releases

9. District 300, the Plaintiff Taxing Districts, and Transform, on behalf of themselves and their past, present and future officers, directors, shareholders, board members, employees, agents, advisors, accountants, attorneys, assignees, and representatives or other entities acting on their behalf or through which they claim a beneficial interest (the “**Releasing Parties**”), hereby mutually release and absolutely and forever discharge each other (subject solely to termination pursuant to Paragraph 8, the conditions set forth in Paragraph 3 above, and the Bankruptcy Court either (i) approving the EDA Stipulation, or (ii) granting District 300’s motion to compel and order rejection by Sears of the EDA Agreement), as well as their past, present and future companies, subsidiaries and affiliates, and their present and former officers, directors, shareholders, employees, agents, advisors, accountants, attorneys, assignees, and representatives, of and from any and all claims, demands, damages, debts, liabilities, judgments, accounts, obligations, costs, expenses, actions and causes of action of every kind and nature whatsoever, whether now known or unknown, asserted or which could have been asserted, suspected or unsuspected, choate or inchoate, which the Releasing Parties now have, own, hold, or at any time heretofore ever had, owned or held against any of them from the beginning of the world to the date of this agreement, which arise out of, or relate to, or are based upon the EDA Act, the EDA Agreements, or the EDA Funds whether in whole or in part except for the rights conferred by and each Party’s performance under this Agreement. The language of this paragraph shall apply only as consistent with this Agreement and shall not apply to each Party’s obligation to perform under this Agreement.

10. For avoidance of doubt, nothing herein, including the distribution of the 2018 EDA Funds, is intended or shall be construed to be (a) an admission as to the merits of the Turnover Motion or District 300's objection to the Turnover Motion, (b) an admission as to the merits of the Parties' respective motions and cross-motions of summary judgment in this action, (c) a waiver of any Party's right to assert any facts or contentions relating to compliance and/or non-compliance with the EDA Act or the EDA Agreement, (d) any release or waiver of Plaintiffs' claims against the Village asserted in the Illinois Action, or (e) a release or waiver of District 300's cure claims or any objection to Sears entitlement to assign the EDA Agreement, pursuant to section 365 of the Bankruptcy Code.

11. In withdrawing with prejudice any complaint, claim, motion or other litigation seeking to prevent Transform from receiving the any EDA Funds, in dismissing with prejudice all claims against Transform in this action, to the extent provided herein, District 300 and the Remaining Taxing Districts will not be deemed to have admitted, nor will the Court nor the Bankruptcy Court be deemed to have made a finding with respect to: (i) the issue of whether the Village, Sears or Transform, to the extent relevant, have complied with the terms and conditions of the EDA Act and/or the EDA Agreement; (ii) the issue of whether District 300 or other parties have valid cure claims under Section 365 of the Bankruptcy Code; or (iii) whether Sears is entitled to assign that EDA Agreement pursuant to Section 365 of the Bankruptcy Code. Furthermore, District 300 and the Remaining Taxing Districts will not be deemed to have waived any claims against the Village regarding compliance with the terms of the EDA Act and/or the EDA Agreement.

Representations

12. Transform represents that it maintains full authority to withdraw its designation of the EDA Agreement in its entirety. Transform represents that it currently holds title to the real property and tangible assets previously held by Debtors within the EDA District as of the date on which the transactions contemplated by the APA were consummated.

13. Transform represents that it alone may withdraw its designation of its interests in the EDA Agreement. Transform represents that no successor, assignee, subsidiary, or other affiliated entity maintains any actual or potential interest in the EDA Agreement, other than any lenders to Transform that hold a collateral interest in Transform's potential rights under the EDA Agreement, which will be automatically released upon the effectiveness of Transform's withdrawal of its designation of the EDA Agreement as an executory contract to be assumed and assigned to Transform. Transform represents that it has not and will not assign, sell, or otherwise transfer its designation rights in the EDA Agreement or its real property interest in the Sears Headquarters, including building and improvements, prior to (a) withdrawing its designation of the EDA Agreement as an executory contract to be assumed and assigned to Transform, and (b) the Bankruptcy Court either (i) approving the EDA Stipulation, or (ii) granting District 300's motion to compel and ordering rejection by Sears of the EDA Agreement.

14. Plaintiffs represent that they have not and will not assign, sell or otherwise transfer their interest in this Agreement.

General

15. Neither this Settlement Agreement, nor any terms contained herein, shall be offered or received as evidence or in any way referred to in any legal action or administrative proceeding among or between the Parties hereto, other than in the instant Bankruptcy Action or

any appeal thereto, the related Illinois Action or any appeal thereto, or as may be necessary to obtain approval for and to enforce this Settlement Agreement, obtain the release of the EDA Funds referenced in Paragraph 2(c) of this Settlement Agreement, including to obtain a declaration that the EDA Agreement and EDA District is terminated. Unless inconsistent with the terms of this Settlement Agreement, nothing herein is intended or shall be construed to waive any defenses, objections, counterclaims or other positions that any of the Parties may have in this action or before the Bankruptcy Court.

16. Transform, the School District and Remaining Taxing Districts and their officers, directors, committee members, employees, agents, advisors, representatives, attorneys and other professionals are hereby exculpated and shall have no liability with respect to claims, causes of actions, demands, suits, liabilities, obligations, losses, damages, offsets and/or judgments of any kind or nature, whether known or unknown, contingent or non-contingent, statutory or non-statutory, solely arising from, out of, or in any way related to compliance with and approval of this Settlement Agreement.

17. Each person or undersigned counsel represents that he/she is authorized to execute this Settlement Agreement on behalf of his or her respective client.

18. This Settlement Agreement may be executed in multiple counterparts, any of which may be transmitted by facsimile, and each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

CONSENTED AND AGREED TO:

COMMUNITY UNIT SCHOOL DIST. 300
BARRINGTON PUBLIC LIBRARY
DISTRICT
ELGIN COMMUNITY COLLEGE DISTRICT
509
SCHOOL DISTRICT U-46
BARRINGTON TOWNSHIP
METROPOLITAN WATER RECLAMATION
DISTRICT OF GREATER CHICAGO

By: _____

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TRANSFORM HOLDCO LLC,
TRANSFORM SR HOLDING MGMT, LLC,
TF HOFFMAN ESTATES IL, LLC,
TRANSFORM SR LLC

By: _____


Thomas F. Geselbracht
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444 West Lake Street
Suite 900
Chicago, Illinois 60606
Thomas.Geselbracht@us.dlapiper.com

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X
In re :
: **Chapter 11**
SEARS HOLDINGS CORPORATION, *et al.*, :
: **Case No. 18-23538 (RDD)**
: **(Jointly Administered)**
Debtors.¹ :
-----X

**STIPULATION AND ORDER
BY AND AMONG THE DEBTORS, TRANSFORM, AND COMMUNITY UNIT
SCHOOL DISTRICT 300 CONCERNING ECONOMIC DEVELOPMENT
AGREEMENT**

WHEREAS, Debtors, Transform Holdco LLC, Transform SR Holding Management, LLC, TF Hoffman Estates IL, LLC, and Transform SR, LLC (collectively, “**Transform**”); Community Unit School District 300 (“**District 300**”); Elgin Community College District 509; Metropolitan Water Reclamation District of Greater Chicago; Barrington Township; School

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); SR – Rover de Puerto Rico, LLC (f/k/a Sears, Roebuck de Puerto Rico, Inc.) (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Rover Brands Business Unit, LLC (f/k/a Sears Brands Business Unit Corporation) (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

District U-46; and Barrington Public Library District have reached an agreement to resolve outstanding litigation as memorialized in the attached Settlement Agreement; and

WHEREAS, the parties to the Settlement Agreement hereby incorporate the Settlement Agreement and its recitals in their entirety;

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained in the Settlement Agreement, it is hereby stipulated and agreed to by and among the parties, and upon Bankruptcy Court approval it shall hereby be ordered that:

Subject to the terms and conditions of the Settlement Agreement:

- i. Transform hereby irrevocably withdraws its designation of the EDA Agreement as an executory contract to be assumed and assigned to Transform pursuant to the terms of the APA;
- ii. Transform represents that it maintains full authority to withdraw its designation of the EDA Agreement in its entirety. Transform represents that it currently holds title to the real property and tangible assets previously held by Debtors within the EDA District as of the date on which the transactions contemplated by the APA were consummated.
- iii. Transform represents that it alone may withdraw its designation of its interests in the EDA Agreement. Transform represents that no successor, assignee, subsidiary, or other affiliated entity maintains any actual or potential interest in the EDA Agreement, other than any lenders to Transform that hold a collateral interest in Transform's potential rights under the EDA Agreement, which will be automatically released upon the effectiveness of Transform's withdrawal of its designation of the EDA Agreement as an executory contract to be assumed and assigned to Transform. Transform represents that it has not and will not assign, sell, or otherwise transfer its designation rights in the EDA Agreement or its real property interest in the Sears Headquarters, including building and improvements, prior to (a) withdrawing its designation of the EDA Agreement as an executory contract to be assumed and assigned to Transform, and (b) the Bankruptcy Court either (i) approving the EDA Stipulation, or (ii) granting District 300's motion to compel and ordering rejection by Sears of the EDA Agreement.

- iv. Plaintiffs represent that they have not and will not assign, sell or otherwise transfer their interest in this Agreement; and
- v. Debtors' irrevocably rejects the EDA Agreement pursuant to Section 365(a) of the Bankruptcy Code and the terms of Joint Chapter 11 Plan of Sears Holdings Corporation and Its Affiliated Debtors, as the same has been modified and amended, with prejudice.

(Signature page follows)

CONSENTED AND AGREED TO:

<p>COMMUNITY UNIT SCHOOL DIST. 300 BARRINGTON PUBLIC LIBRARY DISTRICT ELGIN COMMUNITY COLLEGE DISTRICT 509 SCHOOL DISTRICT U-46 BARRINGTON TOWNSHIP METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO</p> <p>By: _____ Kory Atkinson Law Office of Kory Atkinson 236 West Lake Street, Suite 100 Bloomington, IL 60108 630-980-9100 kaa@koryatkinson.com Cook County No. 44788</p> <p>Kenneth M. Florey M. Neal Smith Katie Zumalt-Rogers Robbins, Schwartz, Nicholas, Lifton & Taylor, Ltd. 631 E. Boughton Road, Suite 200 Bolingbrook, IL 60440 630-929-3639 kflorey@robbins-schwartz.com nsmith@robbins-schwartz.com mmacnair@robbins-schwartz.com Cook County No. 91219</p>	<p>TRANSFORM HOLDCO LLC, TRANSFORM SR HOLDING MGMT, LLC, TF HOFFMAN ESTATES IL, LLC, TRANSFORM SR LLC</p> <p>By: _____ Thomas F. Geselbracht DLA Piper LLP (US) 444 West Lake Street Suite 900 Chicago, Illinois 60606 Thomas.Geselbracht@us.dlapiper.com</p> <p>SEARS HOLDINGS CORPORATION, SEARS, ROEBUCK & CO., KMART HOLDING CORPORATION, SEARS HOLDINGS MANAGEMENT CORPORATION,</p> <p>By: _____</p>
---	---

SO ORDERED THIS

_____ day of _____, 2020
White Plains, New York

THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 3

1 STATE OF ILLINOIS)
) SS:
2 COUNTY OF C O O K)
3 IN THE CIRCUIT COURT OF COOK COUNTY
COUNTY DEPARTMENT - CHANCERY DIVISION
4
5 COMMUNITY CONSOLIDATED UNIT)
SCHOOL DISTRICT 300, an)
6 Illinois school district,)
)
7 Plaintiff,)
)
8 -vs-) No. 18 CH 12683
)
9 VILLAGE OF HOFFMAN ESTATES,)
an Illinois municipal)
10 corporation; and SEARS)
HOLDINGS CORPORATION, a)
11 Delaware corporation,)
)
12 Defendants.)
13

14 REPORT OF PROCEEDINGS before the HONORABLE
15 CELIA G. GAMRATH, Judge of the Circuit Court of Lake
16 County, Illinois, commencing at 9:15 a.m. on the 15th
17 day of August, 2019, upon the hearing of the above
18 entitled case.
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<p style="text-align: right;">Page 2</p> <p>1 PRESENT: 2 ROBBINS SCHWARTZ NICHOLAS By MR. KENNETH M. FLOREY 3 55 West Monroe Street, Suite 800 Chicago, Illinois 60603 4 (312) 332-7760 kflore@robbins-schwartz.com 5 appeared on behalf of plaintiff, 6 VEDDER PRICE, PC 7 By MS. JEANAH PARK 222 North LaSalle Street 8 Chicago, Illinois 60601 (312) 609-7532 9 jpark@vedderprice.com 10 and 11 MR. ARTHUR L. JANURA, JR. Village of Hoffman Estates 12 1900 Hassell Road Hoffman Estates, Illinois 60169 13 (847) 781-2603 Arthur.janura@hoffmanestates.org 14 and 15 EUGENE L. GRIFFIN & ASSOCIATES 16 By MR. MICHAEL B. ANDRE 29 North Wacker Drive, Suite 650 17 Chicago, Illinois 60606 (312) 855-5013 18 mandre@griffinlaw.com 19 appeared on behalf of defendant Village of Hoffman Estates, 20 21 22 23 24</p>	<p style="text-align: right;">Page 4</p> <p>1 MR. MARTIN: Your Honor, I'm David Martin from 2 Neal Gerber Eisenberg. I represent Sears. 3 MR. FLOREY: Good morning, Judge. Ken Florey on 4 behalf of School District 300. 5 THE COURT: Do you think we're waiting for 6 somebody else? 7 MR. MARTIN: Well, I was told that counsel for 8 Transform -- 9 MR. FLOREY: Was supposed to be here. 10 MR. MARTIN: -- was going to be here. I don't -- 11 MR. GESELBRACHT: Yes, your Honor. Tom 12 Geselbracht, DLA Piper. We would be representing 13 Transform assuming that this motion is granted and we 14 are named as a defendant. 15 THE COURT: All right. May I have a courtesy 16 copy of the motion? 17 MR. MARTIN: Counsel? 18 THE COURT: One was not delivered to us. 19 MR. FLOREY: It was not? And my associate is, 20 she's -- 21 MS. PARK: Your Honor, Jeanah Park on behalf of 22 the Village of Hoffman Estates. I think I have an 23 extra copy. 24 MR. FLOREY: Thank you.</p>
<p style="text-align: right;">Page 3</p> <p>1 PRESENT: (Cont'd) 2 NEAL GERBER & EISENBERG, LLP By MR. DAVID S. MARTIN 3 Two North LaSalle Street, Suite 1700 Chicago, Illinois 60602 4 (312) 269-8011 dmartin@nge.com 5 appeared on behalf of defendant Sears Holding 6 Corporation, 7 ALSO PRESENT: 8 DLA PIPER, LLP 9 By MR. THOMAS GESELBRACHT 444 West Lake Street, Suite 900 10 Chicago, Illinois 60606 (312) 368-4094 11 thomasgeselbracht@dlapiper.com 12 appeared on behalf of Transform Holdco. 13 14 15 16 17 18 19 20 21 22 23 24</p>	<p style="text-align: right;">Page 5</p> <p>1 MR. ANDRE: And Judge, I'm Mike Andre, also on 2 behalf of the Village, from Griffin and Associates. 3 MR. JANURA: My name is Arthur Janura. I'm 4 corporation counsel for the Village of Hoffman 5 Estates. 6 THE COURT: Thank you. 7 MS. PARK: Your Honor, I've written on my copy. 8 I probably shouldn't tender it to the Court. 9 MR. MARTIN: Your Honor -- 10 THE COURT: I'm just going to say as a courtesy 11 to all, I allowed you to get on my call on an 12 expedited basis. The only reason why I'm privy to 13 what the motion is is because you had an assistant 14 call my law clerk. I expect courtesy copies of 15 motions at each meeting. 16 MR. FLOREY: I apologize, Judge. 17 THE COURT: Particularly when I'm squeezing you 18 in as I am. Does anybody have something for me to 19 look at? 20 MR. MARTIN: Your Honor, it's not my motion, but 21 I have a clean copy. 22 THE COURT: Thank you. I appreciate that. 23 MR. MARTIN: Yes, this is clean, yes. 24 THE COURT: Is there an objection to this motion?</p>

<p style="text-align: right;">Page 6</p> <p>1 MR. FLOREY: Judge, the motion is adding the 2 Transform Holdco companies, there's three companies, 3 actually two that would be added. And they are the 4 asset purchasers of Sears. And through the 5 bankruptcy proceedings they have asserted an interest 6 in the EDA funds that are at issue. 7 I've spoken with counsel. They are agreeing 8 to join in the, I don't want to speak for counsel, 9 but they're not going to disrupt the hearing that's 10 set for next week or seek additional briefing, 11 joining in the motion of Sears Holding Corporation. 12 MR. GESELBRACHT: Yes, your Honor. On behalf of 13 Transform, the two Transform entities that are 14 proposed to be named in the amended complaint, I've 15 told counsel that we would accept service and we 16 would not anticipate objecting to you holding the 17 argument on the pending motions. We would anticipate 18 that we would join with Sears Holding Company's 19 positions in response to the school district's motion 20 and the Sears, I guess I would call it a cross 21 motion. 22 THE COURT: When you say you'll anticipate doing 23 that, tell me where we stand. 24 MR. GESELBRACHT: We have discussed -- the</p>	<p style="text-align: right;">Page 8</p> <p>1 MR. GESELBRACHT: Counsel raised that issue to me 2 and I just don't know the answer to that. 3 THE COURT: So is that Transform Holdco or 4 Transform SR or are we talking about somebody totally 5 separate? 6 MR. FLOREY: It is called TF Hoffman Estates, 7 Illinois LLC. It's the deed from Sears, the 8 quitclaim deed from Sears to this entity holds title 9 to the property. So it's title holder which is owned 10 apparently by -- 11 MR. GESELBRACHT: Presumably. I've asked counsel 12 for a copy of the deed. I just need to confirm that. 13 MR. FLOREY: -- by Transform. 14 THE COURT: I don't see them on this amended 15 complaint. 16 MR. GESELBRACHT: They're not. 17 MR. FLORNEY: Correct, Judge. We received the 18 deed after we filed the amended complaint. 19 THE COURT: So you're saying you might at some 20 point deem it necessary to file a second amended 21 complaint adding this party? 22 MR. FLOREY: We'd like leave to add them by 23 agreement. 24 THE COURT: Today?</p>
<p style="text-align: right;">Page 7</p> <p>1 proposed amended complaint would also name an 2 additional defendant, ESL Investments, Inc. I've 3 asked them not to do that. 4 MR. FLOREY: And we agreed to take that name off 5 of it. 6 MR. GESELBRACHT: So I've got to get the amended 7 complaint, I've got to file an appearance and I 8 assume that we're going to file an answer at some 9 point. The only reason I say I anticipate, Judge, is 10 because as my grandfather used to say, there's many a 11 slip twixt cup and lip and I just need to work my way 12 through these things. But we do not anticipate 13 objecting to your holding the oral argument next 14 week. 15 THE COURT: Because it's set for -- 16 MR. MARTIN: 21st. 17 MR. FLOREY: Wednesday. 18 THE COURT: So what I've been hearing is there's 19 no objection to allowing the granting of the amended 20 complaint to add Transform but not ESL. Plaintiff is 21 going to withdraw ESL. 22 MR. FLOREY: Correct. And there is one third 23 party that is the grantee on a quitclaim deed for the 24 property that we also --</p>	<p style="text-align: right;">Page 9</p> <p>1 MR. FLOREY: To add them as a party, correct. 2 THE COURT: So I'm hearing a request to add 3 Transform Holdco, Transform SR Holding Management and 4 TF Hoffman -- 5 MR. FLOREY: Estates IL. 6 THE COURT: And to strike ESL Investments. 7 MR. FLOREY: Correct. 8 THE COURT: Counsel for Transform, what's your 9 position on that? Who would, I mean, I will not 10 allow you to add TF Hoffman Estates without agreement 11 because I don't have that motion in front of me. 12 MR. FLOREY: Fine. 13 MR. GESELBRACHT: I don't have an objection to 14 that, your Honor. 15 THE COURT: So that would be acceptable. 16 MR. GESELBRACHT: And I'm not even sure I have 17 standing to have an objection until we're actually 18 named and appear, but I understand what you suggest. 19 THE COURT: I mean, technically I could easily 20 deny it. 21 MR. GESELBRACHT: I understand. 22 THE COURT: But if you're agreeing, is it true, 23 counsel, you would step in to represent TF Hoffman 24 Estates?</p>

<p>Page 10</p> <p>1 MR. GESELBRACHT: Yes, your Honor.</p> <p>2 THE COURT: Then based on that, if you want to</p> <p>3 mark the order agreed granting leave to file unless</p> <p>4 you have an objection.</p> <p>5 MR. MARTIN: We have an objection, your Honor.</p> <p>6 THE COURT: Okay.</p> <p>7 MR. MARTIN: Thank you. David Martin on behalf</p> <p>8 of defendant Sears Holdings Corporation. This</p> <p>9 motion, your Honor, is unusually tardy. Counsel has</p> <p>10 known about the transfer of these assets to Transform</p> <p>11 since January of this year. He's also known that</p> <p>12 Transform has made a claim to these assets since May.</p> <p>13 And here we are, less than a week or maybe one week</p> <p>14 from our hearing and he's filing a motion to add</p> <p>15 these parties which we don't think are necessary.</p> <p>16 The issue as to -- between Sears and</p> <p>17 Transform entitled to the funds that are the subject</p> <p>18 of the motions before your Honor is not before your</p> <p>19 Honor. That issue is before the bankruptcy judge in</p> <p>20 New York. And Judge Drain has already preliminarily</p> <p>21 ruled that those funds belong to either Sears or the</p> <p>22 district depending on -- the taxing districts</p> <p>23 depending on the outcome of the motions before your</p> <p>24 Honor. So we think it's highly prejudicial to Sears</p>	<p>Page 12</p> <p>1 interest, there was no dispute with EDA between who</p> <p>2 owed -- or asset purchase agreement about who was</p> <p>3 entitled to those funds.</p> <p>4 There were some bankruptcy filings among the</p> <p>5 hundreds of thousands of documents filed in this</p> <p>6 case. As soon as we became aware of this claim and</p> <p>7 the dispute to the funds, we added them as soon as we</p> <p>8 were reasonably aware of it.</p> <p>9 THE COURT: Counsel is saying that you knew it</p> <p>10 since May. It's now mid August.</p> <p>11 MR. FLOREY: We did not know since May. We made</p> <p>12 our way through all the documents and discovered it</p> <p>13 about ten days ago.</p> <p>14 MR. MARTIN: Your Honor, we find that highly</p> <p>15 unlikely. The deed, the deed to this property was</p> <p>16 recorded in January. Counsel has been intimately</p> <p>17 involved in the bankruptcy proceeding. I find it</p> <p>18 highly unlikely that he was not aware of what was</p> <p>19 going on with respect to this property. There's a</p> <p>20 recorded deed, a public document. There's an asset</p> <p>21 purchase agreement, a public document. They were</p> <p>22 intimately involved. They've been to New York</p> <p>23 several times and have been present at these hearings</p> <p>24 involving this issue. It's highly unlikely that they</p>
<p>Page 11</p> <p>1 for this Court to allow Transform into the case, into</p> <p>2 your case, the issue before you when counsel has</p> <p>3 known that they purchased assets of Sears since</p> <p>4 January and they brought this on the eve of oral</p> <p>5 argument after the issue has been totally agreed.</p> <p>6 Now they're before you this morning saying, well, no,</p> <p>7 we want to eliminate one of the three parties but we</p> <p>8 want to add a party. That motion is not before the</p> <p>9 Court and we think it's highly prejudicial to Sears</p> <p>10 given the fact that the confirmation of bankruptcy is</p> <p>11 going to most likely happen in September, next month.</p> <p>12 And all parties, I think, would like a ruling</p> <p>13 on the limited issue that's before this Court, which</p> <p>14 is how the 2017 funds that remain in the Village's</p> <p>15 account are to be distributed. There's no other</p> <p>16 issue, no other issue than that and Transform does</p> <p>17 not need to be a party to this case for this Court to</p> <p>18 decide that issue.</p> <p>19 MR. FLOREY: Judge, a couple -- thank you for</p> <p>20 reading my mind, counsel, but first of all, we did</p> <p>21 not receive an objection from the main counsel</p> <p>22 representing Sears, Jared Friedman, so I'm a little</p> <p>23 surprised at your position, but we were told by Jared</p> <p>24 Friedman, the main counsel, that they had the sole</p>	<p>Page 13</p> <p>1 did not have knowledge.</p> <p>2 MR. FLOREY: Again, we relied on the</p> <p>3 representation of counsel repeatedly that they solely</p> <p>4 are entitled and have a claim and a right to EDA</p> <p>5 funds at issue before you for these years. Shame on</p> <p>6 us for trusting representation of counsel, the New</p> <p>7 York counsel, the main attorney in the case and now</p> <p>8 I'm hearing something different from local counsel.</p> <p>9 I'm a bit shocked.</p> <p>10 I'm not sure what he's proposing. I'm not</p> <p>11 sure if he's objecting to the hearing next week.</p> <p>12 I don't know what the point is when we've got an</p> <p>13 agreement to add the defendants. They clearly have</p> <p>14 an interest in, if not this batch of funds, future</p> <p>15 EDA funds.</p> <p>16 THE COURT: But the question before me is with</p> <p>17 respect to how this EDA fund should be distributed.</p> <p>18 MR. FLOREY: Correct.</p> <p>19 THE COURT: The issue in front of me then is</p> <p>20 going to be, right now as it stands, between</p> <p>21 plaintiffs and Sears and the Village.</p> <p>22 MR. FLOREY: Correct.</p> <p>23 THE COURT: Now am I to decide if these new</p> <p>24 parties get a piece of the action?</p>

<p style="text-align: right;">Page 14</p> <p>1 MR. FLOREY: No, no. That's between --</p> <p>2 THE COURT: Then why are they necessary parties</p> <p>3 in my case?</p> <p>4 MR. FLOREY: That's between the bankruptcy --</p> <p>5 first of all, they're a necessary party in the case</p> <p>6 because your rulings could affect future</p> <p>7 distributions of the funds. The legal issues in our</p> <p>8 motion --</p> <p>9 THE COURT: But let's say that I find that, you</p> <p>10 know, the school district ought to get them. What's</p> <p>11 the consequence to these soon to be named new</p> <p>12 parties?</p> <p>13 MR. FLOREY: To make that ruling, which we</p> <p>14 believe would be the correct ruling, you would</p> <p>15 determine that, among other issues, you can't count</p> <p>16 non-Sears employees. You only have to count Sears</p> <p>17 employees to come up with the 4250 magic number.</p> <p>18 That would be an issue that affects the current funds</p> <p>19 before you as well as future funds and potentially</p> <p>20 funds from the past.</p> <p>21 So that's, as Sears is the owner of the new</p> <p>22 property in seeking to -- they've made a motion to</p> <p>23 assume the contract, so they're now the new</p> <p>24 recipients of these EDA funds going forward, they</p>	<p style="text-align: right;">Page 16</p> <p>1 same issue for the '18 funds, '19, '20, '21.</p> <p>2 THE COURT: But I'm hearing from counsel that</p> <p>3 there's already issues teed up in front of the</p> <p>4 bankruptcy judge with respect to Sears and Transform</p> <p>5 and --</p> <p>6 MR. FLOREY: Who gets the money.</p> <p>7 THE COURT: And the bankruptcy judge is dealing</p> <p>8 with those other issues.</p> <p>9 MR. FLOREY: He's made a ruling and that's on</p> <p>10 appeal, is my understanding.</p> <p>11 MR. GESELBRACHT: No, it's a preliminary ruling.</p> <p>12 I'm sorry. I concur with Mr. Martin. It is a</p> <p>13 preliminary ruling that the judge announced. There</p> <p>14 was oral argument scheduled on that. It was deferred</p> <p>15 because of the press of other business. I believe it</p> <p>16 is now set for sometime in September, but I can't</p> <p>17 tell you the exact date. But that issue is between</p> <p>18 Transform and old, I guess I'll call them old Sears,</p> <p>19 no disrespect.</p> <p>20 THE COURT: And is that with respect to which</p> <p>21 funds? Is that 2017, 2018, future funds, back funds?</p> <p>22 MR. MARTIN: 2017, your Honor.</p> <p>23 THE COURT: Okay.</p> <p>24 MR. FLOREY: The fund here.</p>
<p style="text-align: right;">Page 15</p> <p>1 would have an interest --</p> <p>2 THE COURT: Which party is? Transform?</p> <p>3 MR. FLOREY: Transform Holdco, correct. The new</p> <p>4 Sears, let's call them.</p> <p>5 THE COURT: So now let's say that I think that</p> <p>6 Sears ought to get these funds.</p> <p>7 MR. FLOREY: Yes.</p> <p>8 THE COURT: What's it --</p> <p>9 MR. MARTIN: The issue is only for 2017, your</p> <p>10 Honor. '18 is a separate issue. That is not before</p> <p>11 this Court. Transform does not have an issue with</p> <p>12 respect to 2017. If another claim for '18 wants to</p> <p>13 be made and they want to make that claim for those</p> <p>14 funds, that's a separate issue. But that issue right</p> <p>15 now rests with the bankruptcy court in New York.</p> <p>16 That is not before this Court. This Court's</p> <p>17 jurisdiction is limited to 2017.</p> <p>18 THE COURT: What's your position on that? It</p> <p>19 sounds like you disagree.</p> <p>20 MR. FLOREY: I completely disagree because to</p> <p>21 make a decision one way or another, you have to</p> <p>22 decide some legal issues about the intent of the</p> <p>23 statute. That's going to affect the '17 funds as</p> <p>24 well as it will be an issue of conclusion for, that</p>	<p style="text-align: right;">Page 17</p> <p>1 THE COURT: So then if the bankruptcy judge is</p> <p>2 going to determine that issue, why would -- in other</p> <p>3 words, it seems to me that the first step would have</p> <p>4 to be Sears getting ahold of these funds and then the</p> <p>5 bankruptcy court kind of then taking it from there</p> <p>6 and saying Sears, you get to keep them or do they go</p> <p>7 to Transform.</p> <p>8 MR. GESELBRACHT: I agree.</p> <p>9 MR. FLOREY: So Judge, you decide school district</p> <p>10 gets the money for '17. The appellate court or the</p> <p>11 judge reverses himself and says you know what, under</p> <p>12 the asset purchase agreement that should have gone to</p> <p>13 Transform Holdco. Without them having a say or the</p> <p>14 ability to participate in your hearing on our cross</p> <p>15 motions, they could come in and say hey, we weren't a</p> <p>16 party to that lawsuit even though we've known about</p> <p>17 it since it's been filed, we've been before the</p> <p>18 bankruptcy court, they haven't intervened.</p> <p>19 If they had an interest, we would expect them</p> <p>20 to intervene, we preemptively said we're going to</p> <p>21 bring you in because, in theory because of your claim</p> <p>22 in the bankruptcy court to this money. If you don't</p> <p>23 participate in these state court proceedings, you</p> <p>24 could come then in after the fact of your decision</p>

<p>Page 18</p> <p>1 and say I now want to participate because I wasn't in 2 the case, the state court case, I have an interest in 3 these funds, I haven't weighed in on the legal 4 arguments and factual arguments before the Court and 5 they could effectively throw out your whole decision. 6 THE COURT: Except Transform presumably wants me 7 to rule that Sears gets the funds, correct? 8 MR. GESELBRACHT: I think that's fair. We're 9 aligned in that regard, your Honor. 10 THE COURT: So let's say that I made that ruling 11 because that's what's in front of me. 12 MR. MARTIN: Right. 13 THE COURT: And Transform is in this case. Does 14 that box out Transform in the bankruptcy court from 15 then saying they want the funds? In other words, now 16 they become a party to my case. My only real dispute 17 is between Sears and Community Unit School District. 18 MR. GESELBRACHT: Right. 19 THE COURT: In which case I'm not even like 20 putting you in this realm. It's not even on my 21 radar. So I do not anticipate by any means giving 22 these funds to Transform. Will that prejudice 23 Transform at that moment in time? 24 MR. GESELBRACHT: And that's one of the reasons</p>	<p>Page 20</p> <p>1 global case is going to affect future funds, the 2 status of the asset -- of the EDA act agreement of 3 which Transform is now, has told the world they're 4 going to assume and they'll be the new party and 5 they'll be seeking EDA funds. So in the case in 6 general, they need to be in it for the going forward 7 regardless of what happens in 2017. 8 THE COURT: The irony is that you specifically 9 asked the bankruptcy court to let Cook County, 10 Illinois decide this issue. Your transcript from 11 those hearings reflects that plaintiff's counsel, I 12 believe it is plaintiff's counsel, said don't worry, 13 Judge Drain in New York, Cook County is going to 14 decide this in a month, completely unrealistic. You 15 are experienced counsel in this venue. That notion 16 to lead Judge Drain believing that is so far afield. 17 And had I known that then, I would have kicked it 18 right back to Judge Drain. 19 We are now dealing with two fronts and it 20 looks like forum shopping to me, quite frankly. 21 Judge Drain is ultimately going to be looking at 22 these other funds and issues and now I'm looking at 23 it for this finite year in time. I'm not sure that 24 that's the right result. He has invited the Court to</p>
<p>Page 19</p> <p>1 I said that I anticipate what I'm going to do. I, 2 quite frankly, have not looked at the issue of, given 3 that you have a limited jurisdiction in light of the 4 bankruptcy court's remand, I guess I would call it. 5 MR. MARTIN: Abstention. 6 MR. GESELBRACHT: Abstention, that's better, 7 would that bind Transform under the circumstances 8 that counsel suggested? I don't know the answer to 9 that, Judge. I just haven't looked at that. 10 MR. FLOREY: And Judge, the -- 11 MR. MARTIN: Your Honor, I would say -- 12 MR. FLOREY: Wait, counsel. Let me -- 13 THE COURT: I'll let you speak. 14 MR. MARTIN: As I've said earlier, that issue 15 arose after the abstention in this case was removed 16 to your court for the limited purpose. The 17 bankruptcy judge still has that issue between 18 Transform and Sears. And for this Court to entertain 19 that is, in my view, beyond the jurisdiction that has 20 been granted to this Court because that issue remains 21 in New York. 22 MR. FLOREY: Judge, despite the status of the 23 2017 funds, which are the funds that are currently 24 before you for the hearing next week, this case, the</p>	<p>Page 21</p> <p>1 send it back, indicating that Judge Drain reserves 2 the right to reconsider its conclusion, that the 3 matters raised can be timely adjudicated if they're 4 not promptly resolved by the circuit court and any 5 Illinois appellate court. Again, I have given you an 6 expedited hearing date and we know it's been months. 7 I do not anticipate ruling next week. You know that. 8 MR. FLOREY: Yes. 9 THE COURT: We know, not only in the circuit 10 court of Cook County but down the street in federal 11 court, that limited motions like this may take months 12 on end. You have the right to appeal. Our appellate 13 process is, on a conservative basis, 18 months. The 14 notion that you go to Judge Drain and make that 15 representation that you're going to wrap this up in 16 four weeks is just -- 17 MR. FLOREY: Judge, the context, if you read the 18 complete transcript, I told the judge there are 19 cases, election cases in Illinois which are handled 20 on, by agreement of the parties, on an expedited 21 basis where you have hearing schedules within five 22 days' briefing. I said if the Court accepts -- 23 THE COURT: A totally different analogy. We're 24 not dealing with an election case.</p>

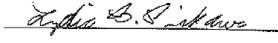
<p style="text-align: right;">Page 22</p> <p>1 MR. FLOREY: There is precedent for expediting 2 cases in Cook County if the need -- 3 THE COURT: Of course, there is. I do TRO's all 4 the time. But this kind of case, these kind of 5 motions, I think everybody in this room knows better. 6 And so now is a real opportune time to hear you to 7 say -- Judge Drain has already made some preliminary 8 rulings on this particular issue and notion. He is 9 contemplating where these EDA funds ought to go, 10 correct? He's made a preliminary ruling and he's got 11 an argument set. 12 MR. FLOREY: Just among Sears and Transformco. 13 He has not made any ruling about whether the school 14 district is entitled to the funds or not. And the 15 abstention -- 16 THE COURT: But he is willing to. 17 MR. FLOREY: The abstention, even though Judge 18 Drain described that he has the ability to take it 19 back, that would be in dispute because he accepted 20 our argument under mandatory abstention where the 21 Court cannot hear the case because of the issues. So 22 I'm not going to second guess Judge Drain right now 23 and his -- 24 THE COURT: His abstention motion was granted to</p>	<p style="text-align: right;">Page 24</p> <p>1 is like in terms of the time gap as opposed to the 2 more expedited situation in White Plaines, New York 3 and particularly on the bankruptcy call versus -- 4 MR. MARTIN: My understanding, your Honor, is 5 that counsel or someone for the school district 6 represented to the judge that this would take 7 60 days, including appeals. 8 MR. FLOREY: That's not true, not true at all. 9 MR. MARTIN: That's what I was told by New York 10 counsel. 11 MS. PARK: We were told the same thing by our 12 bankruptcy counsel on behalf of the Village. 13 THE COURT: And so -- 14 MR. FLOREY: That's absolutely untrue. 15 THE COURT: To the extent Judge Drain would like 16 the Court's impression of this, clearly 60 days have 17 come and gone. If the Court entertains argument next 18 week, there will not be a ruling next week. There 19 will not be a ruling for quite some time. Our 20 appellate process ordinarily takes 18 months and on 21 a complex case, that is hopeful. That would be 22 considered a fast track. 23 And so I do not know Judge Drain. I am sure 24 that he is a very fine and well informed jurist.</p>
<p style="text-align: right;">Page 23</p> <p>1 the limited extent set forth herein and he set forth, 2 in his order of April 25, 2019, the parameters. So 3 while you may have argued this motion, it was granted 4 to a limited extent. It was not granted in totality 5 for blanket ruling. 6 MR. FLOREY: I think all the parties want, would 7 like, we agree we would like a hearing by this Court 8 next week, unless I'm hearing different from any 9 other counsel today. The confirmation, it was 10 supposed to be in June, it was supposed to be in 11 July, it was supposed to be in August, it's supposed 12 to be in September. We don't know if it's going to 13 continue onward. 14 The judge understood that if an appeal was 15 granted from your decision, that's a different -- 16 that's going to also continue it. He also understood 17 that he would make a decision, we would appeal that 18 to the district court and that would be in the same 19 process. Either way you face this issue, it's going 20 to -- there's going to be multiple, many months, if 21 not years when you add on appeals to the process. So 22 that's -- the judge understood that. 23 THE COURT: Did he really understand that? Did 24 he get a clear picture about what the Illinois system</p>	<p style="text-align: right;">Page 25</p> <p>1 But I do fear that counsel has given him false 2 impressions and false expectations of what the 3 capabilities of our Cook County court system is. And 4 it is certainly not for lack of diligence by this 5 Court. It is just because of the sheer volume and 6 the magnitude of our cases in this chancery division 7 which, for those who don't practice here, we have 14 8 judges who are general chancery judges, we have 9 several hundred cases on our dockets. We are the 10 judge, we are the jury, we deal with class action 11 lawsuits all the time, we deal with temporary 12 restraining orders. We deal with preliminary 13 injunctions, we deal with true emergencies on a 14 regular basis. Our cases are national, huge cases. 15 We have insurance coverage cases with 35 different 16 parties on a regular basis. 17 This is a very important case and a very 18 important issue, just like every single case on my 19 docket is. So while I would love to be in a position 20 to do that five day turnaround that counsel just 21 spoke of, this case does not rise to that level. 22 It's not warranted and it's not feasible. So I do 23 want everybody to understand that clearly, that it is 24 certainly not because we're taking long holidays</p>

<p style="text-align: right;">Page 26</p> <p>1 here. We work overtime, weekends, nights and then 2 some. 3 So I just want that to be clear because if 4 our judicial system on a national level believes that 5 this issue could be teed up and resolved in a more 6 efficient expedited manner being kept within the 7 control of the bankruptcy court, then this Court 8 would have no objection to relinquishing jurisdiction 9 over this limited issue. Because I do believe that 10 Judge Drain gave it to this Court thinking this would 11 be the more efficient process and it just has not 12 turned into that, certainly not because of Judge 13 Drain's doing, but I think because not everybody 14 speaking in New York was quite familiar with our 15 protocol here and the magnitude of our case load. 16 With respect -- yes. 17 MS. PARK: Your Honor, there is one other issue 18 that, on behalf of the Village, we feel compelled 19 that we need to raise to the Court just because 20 counsel for the school district has brought up this 21 necessary party issue. We did file our answer and 22 affirmative defenses to the original complaint back 23 in May, and one of the affirmative defenses that the 24 Village raised was that the plaintiff's claims have</p>	<p style="text-align: right;">Page 28</p> <p>1 checks to. I don't believe Sears Roebuck Company has 2 been named in this case and that is who receives 3 these funds on behalf of the developer. And there 4 are 11 units of government and three school districts 5 that also receive funds out of this increment. This 6 was raised earlier and other than what was put forth 7 in the prior pleadings, the Village has no position 8 other than what was previously stated. 9 THE COURT: So to your point, is it -- so to your 10 point, basically because Community School District 11 300 is the one who came and sued, if they prevail, 12 would get the entire bucket of the \$7 million. 13 MR. GESELBRACHT: I don't think that's right. 14 MR. FLOREY: Judge Drain already took the other 15 taxing bodies' money and since they didn't intervene 16 in the bankruptcy court, he ordered it turned over 17 from the Village to Sears. 18 MS. PARK: I don't know that, I'm not necessarily 19 taking the position that the school district would be 20 entitled to all the funds. 21 THE COURT: But you're saying there are other 22 taxing districts that theoretically could be? 23 MS. PARK: Correct. 24 THE COURT: And they're not here, so --</p>
<p style="text-align: right;">Page 27</p> <p>1 failed because of failure to add necessary parties. 2 Now, the necessary parties that the Village was 3 contemplating, if the Court is familiar with the 4 papers, which I know the Court is, is that to the 5 extent that the recapture provision in the EDA act is 6 triggered if the Court so rules, there are other 7 taxing districts that may have standing to assert, 8 you know, entitlement to those funds. That is 9 something that the school district referenced in the 10 complaint. 11 You know, the case has been filed since 12 October of '18 and nobody's moved to intervene in 13 this case. But to the extent that the Court is 14 considering other necessary parties, we wanted to 15 raise the fact that there might be other taxing 16 districts that could be entitled to recapture of the 17 funds. 18 MR. JANURA: Pardon me, Judge. Arthur Janura on 19 behalf of the Village of Hoffman Estates. The 20 developer in this case that, pursuant to statute, is 21 entitled to funds is Sears Roebuck and Company. 22 Sears Roebuck and Company is an entity that's in 23 bankruptcy. They are a separate corporate entity and 24 that's who the Village deals with and writes the</p>	<p style="text-align: right;">Page 29</p> <p>1 MR. MARTIN: But this issue was raised in the 2 bankruptcy proceeding. All districts have been on 3 notice of this issue and no one responded. 4 MS. PARK: That's true, your Honor. The 5 bankruptcy court ordered the Village to give notice 6 of class to potential claimants. The Village did 7 give notice and nobody filed a claim in the 8 bankruptcy case. 9 MR. FLOREY: And they turned over, they ordered 10 turnover of the money then to Sears for 2017. 11 MR. MARTIN: It's not their money. 12 MR. FLOREY: Pardon? 13 MR. MARTIN: Sears'. 14 MR. FLOREY: Their portion of the whole. It's 15 about 10.9 school districts. It's about 5.9. Those 16 numbers are -- 17 MR. MARTIN: You're characterizing it 18 incorrectly, Sears' money. 19 MR. FLOREY: And so the balance of the other 20 taxing districts' money has been ordered by Judge 21 Drain to be turned over to Sears. 22 THE COURT: So then to your point about your 23 affirmative matters that you raised about the 24 necessary parties and these other taxing districts,</p>

<p style="text-align: right;">Page 30</p> <p>1 are these necessary parties in light of the fact that 2 Judge Drain has already ordered the turnover? 3 MR. JANURA: Judge, it depends on what is being 4 done here today. I've heard two different arguments 5 coming from the school district and Sears. Sears has 6 maintained, from what my understanding of what was 7 said today, that this matter only involves 2017 8 funds. The school district has indicated that your 9 ruling will affect future payments of EDA funds. 10 Conservatively speaking, future EDA funds go well 11 beyond \$100 million. And if your ruling is going to 12 affect the future of those funds being disbursed, the 13 districts, I believe pursuant to statute, are 14 entitled to some of those moneys. 15 And I believe that because of that, if it's 16 interpreted that your ruling has future effects, then 17 the school district -- then the taxing districts not 18 appearing in the bankruptcy court, which supposedly 19 was limited to 2017 funds, doesn't mean they might 20 not be interested in the \$100 million plus in the 21 future for which they weren't notified was being 22 involved. All they would receive notice of was the 23 bankruptcy which, according to Sears, only involves 24 2017 funds.</p>	<p style="text-align: right;">Page 32</p> <p>1 prevail, you are being one taxing body in front of 2 me, which is sort of winner take all. 3 MR. FLOREY: Well, we don't get their money, so 4 obviously we are just litigating over our money. But 5 in all due respect to counsel, the money, the EDA 6 funds at issue before the bankruptcy court, we've 7 gone back from day one with our pleading to the 8 future. So those local governments have been on 9 notice that all the EDA funds potentially at issue, 10 past, present and future, are before the bankruptcy 11 court. The judge took our massive claim, past, 12 present and future, and sent a piece back to you for 13 2017 to say we'd like a ruling by the Illinois court. 14 Effectively it's Illinois statute, the 15 Illinois court's interpretation of the statute. 16 That, I believe, was, I'm not going to speak for the 17 judge, but that's what we argued was the appropriate 18 way for not just in Illinois but every state in the 19 country in every bankruptcy proceeding. Bankruptcy 20 courts can interpret other states' statutes, but the 21 state courts are in better position to make that 22 interpretation. I think that might have been a 23 factor that influenced sending this back as well. 24 We still believe that's the position up until</p>
<p style="text-align: right;">Page 31</p> <p>1 MR. MARTIN: Well, your Honor, if I might, I 2 would go back to the jurisdiction of the Court which 3 is 2017. Who's entitled to the funds for '18 and 4 subsequent years is at this point totally, 100 5 percent speculative. It's based on facts and the 6 law. And this Court has been charged with ruling 7 with respect to these 2017 funds and -- 8 MR. FLOREY: I agree with counsel on that point. 9 THE COURT: You do? Because earlier I thought I 10 heard you say that my ruling would affect not only 11 2017 but future funds and potentially back funds. 12 MR. FLOREY: We could argue that, but certainly 13 the only issue before you is 2017 funds. We could 14 argue, try to argue at a later date that that ruling 15 has an effect on future funds. 16 THE COURT: But if you do, then to their point, 17 who else needs to be a party to that case, to this 18 case? In other words, I think you need to posture it 19 to say we're all on the same page, this is 2017, in 20 which case the parties who stand before me, I think 21 that's okay. If this is going to go beyond that, I 22 would be concerned about knocking other taxing 23 districts out of the box for future years. I don't 24 think that that's fair or just because if you</p>	<p style="text-align: right;">Page 33</p> <p>1 this proceeding. I walked in with everyone wanted to 2 have the hearing next week. Is anyone here pulling 3 back, saying you don't want the hearing next week? 4 Because that's not the position I heard from every 5 counsel I spoke to. 6 MS. PARK: The Village would like to proceed with 7 the hearing next week, your Honor. We're not 8 interested in the ongoing proceeding. I want to be 9 very clear about that. We just wanted to raise this 10 issue because it was raised in our affirmative 11 defense. Even if the Court's decision next week or 12 whenever the Court renders its opinion is limited to 13 the 2017 funds, we just wanted to raise the issue. 14 We don't take the position that there might be other 15 taxing districts who might have standing to have 16 access to those funds to the extent the Court rules 17 that their recapture provision should apply. 18 MR. JANURA: Judge, the Village's position is we 19 just want to make sure the Court is aware of these 20 matters. But we do not take any position regarding 21 the hearing. But of course, this Court is well aware 22 of the fact that orders made without necessary 23 parties are void orders that can be challenged at any 24 time, even on appeal. And so we feel it's important</p>

<p style="text-align: right;">Page 34</p> <p>1 that the Court, when making orders, is aware of that.</p> <p>2 MR. MARTIN: Again, your Honor, Sears would like</p> <p>3 to proceed next week as well, as I indicated earlier</p> <p>4 on.</p> <p>5 THE COURT: You had indicated that Judge Drain</p> <p>6 made a preliminary ruling in plaintiff's oral</p> <p>7 argument in September, is that correct? He made a</p> <p>8 preliminary ruling?</p> <p>9 MR. MARTIN: Yes, he did. I don't think it was</p> <p>10 in September, though.</p> <p>11 THE COURT: He's going to --</p> <p>12 MR. FLOREY: I'm not sure which you're talking</p> <p>13 about.</p> <p>14 THE COURT: I thought you said he was going to</p> <p>15 hold argument in September.</p> <p>16 MR. GESELBRACHT: Judge, a little bit more</p> <p>17 context. Transform and old Sears have a dispute on</p> <p>18 not just this issue as to who gets this money but a</p> <p>19 number of different things.</p> <p>20 MR. MARTIN: Right.</p> <p>21 MR. GESELBRACHT: If I said a dozen, I might be</p> <p>22 understating it and it's a lot of dough. The judge</p> <p>23 preliminarily announced that he was leaning towards</p> <p>24 awarding these funds to old Sears. They were going</p>	<p style="text-align: right;">Page 36</p> <p>1 MR. FLOREY: I didn't see this train coming</p> <p>2 around the corner.</p> <p>3 THE COURT: But are we back full circle to say</p> <p>4 Transform has no objection to be added as a party,</p> <p>5 and that would include Transform --</p> <p>6 MR. FLOREY: Transform Holdco LLC, Transform SR</p> <p>7 Holding Management LLC and TF --</p> <p>8 THE COURT: Now TF Hoffman Estates and we're</p> <p>9 striking ESL Investments.</p> <p>10 MR. FLOREY: Correct.</p> <p>11 THE COURT: Sears, you had indicated that you</p> <p>12 would be, as you said, highly prejudiced by allowing</p> <p>13 them to come in. They plan to join in your motion.</p> <p>14 MR. MARTIN: Yes, only from the standpoint,</p> <p>15 Judge, that we're prejudiced if there is delay. So</p> <p>16 we agree with counsel, we want --</p> <p>17 THE COURT: But there will not --</p> <p>18 MR. MARTIN: But we don't want to have Transform</p> <p>19 come in and file, you know, we think they're aligned</p> <p>20 with us. They should be.</p> <p>21 MR. GESELBRACHT: Yes.</p> <p>22 MR. MARTIN: We all have the same interest.</p> <p>23 MR. GESELBRACHT: And that's our intention,</p> <p>24 Judge.</p>
<p style="text-align: right;">Page 35</p> <p>1 to argue it but couldn't. I don't know what the new</p> <p>2 date is. I think it's in September, but I can't tell</p> <p>3 you for sure.</p> <p>4 THE COURT: But that's only as between Transform</p> <p>5 and old Sears.</p> <p>6 MR. GESELBRACHT: Correct.</p> <p>7 MR. MARTIN: Correct.</p> <p>8 THE COURT: Which again, I guess I look at this</p> <p>9 and say if I bring you in, even though you're not</p> <p>10 objecting, is that problematic?</p> <p>11 MR. GESELBRACHT: Judge, the question of issue</p> <p>12 preclusion, which is I think what is raised here, not</p> <p>13 so much the facts because the facts are going to</p> <p>14 change from year to year, but for example, if you</p> <p>15 rule on one issue, whether non-Sears employees count,</p> <p>16 it's conceivable that that could -- that issue</p> <p>17 preclusion could arise that ruling. I don't know</p> <p>18 what the answer is given a limited jurisdiction.</p> <p>19 Normally the circuit court has unlimited</p> <p>20 jurisdiction. This is kind of an unusual situation.</p> <p>21 So I just don't know. Transform does not object to</p> <p>22 holding a hearing next week.</p> <p>23 THE COURT: Just to be clear, what we had started</p> <p>24 with plaintiff's counsel was a real easy motion.</p>	<p style="text-align: right;">Page 37</p> <p>1 THE COURT: Okay.</p> <p>2 MR. MARTIN: And so only from the standpoint we</p> <p>3 don't want there to be delay because of them being</p> <p>4 added as parties.</p> <p>5 THE COURT: All right. Then in light of all of</p> <p>6 this, mark the order agreed, agreed order granting</p> <p>7 leave to file, not this amended complaint.</p> <p>8 MR. FLOREY: Right. Revised amended complaint.</p> <p>9 THE COURT: A new first amended complaint that</p> <p>10 would include these parties, TF Hoffman Estates and</p> <p>11 striking ESL Investments.</p> <p>12 MR. MARTIN: Your Honor, I just wanted to make</p> <p>13 one other point. The amended complaint includes</p> <p>14 claims for 2018 and possibly subsequent years.</p> <p>15 THE COURT: Does this, I'm sorry, does this</p> <p>16 amended complaint do anything more than add parties?</p> <p>17 MR. FLOREY: No.</p> <p>18 THE COURT: I didn't think it did, but are you</p> <p>19 saying that it does?</p> <p>20 MR. MARTIN: Well, I just want to --</p> <p>21 THE COURT: Because if it does --</p> <p>22 MR. FLOREY: It does nothing.</p> <p>23 MR. MARTIN: It doesn't change -- excuse me. It</p> <p>24 doesn't change the original pleading other than to</p>

<p>Page 38</p> <p>1 add Transform, but I do want to reiterate that the 2 issue before the Court is to have the '17 -- this 3 complaint has claims for other years other than 2017, 4 which of course the Court doesn't have jurisdiction 5 over. 6 MR. FLOREY: Just because that's what was in the 7 original complaint. 8 MR. MARTIN: It was in the original complaint, 9 your Honor. 10 THE COURT: The summary judgment, though, these 11 motions that are in front of me -- 12 MR. FLOREY: Relate to 2017. 13 THE COURT: So I guess if we have a new -- I 14 mean, it's summary judgment on your complaint. 15 MR. FLOREY: Partial, yes. 16 THE COURT: Are we now doing summary judgment on 17 this amended -- like just procedurally, aside from 18 adding new parties, if there are substantive, and 19 again having just seen this, if there are paragraphs 20 that are changed in this -- 21 MR. FLOREY: Judge, we're representing the only 22 paragraphs that were changed were adding the parties, 23 the three parties, the Transformco and the ESL. 24 There's no other change that I know.</p>	<p>Page 39</p> <p>1 MR. GESELBRACHT: Your Honor, I concur with that 2 almost word for word. 3 MR. MARTIN: I'm not suggesting -- I'm just 4 stating that there are claims in there that were in 5 the original complaint that relate to years other 6 than '17 and that this Court is going to be deciding 7 2017. That's -- 8 THE COURT: And then to be clear, also in today's 9 order indicate that my hearing the cross motions 10 would be directed at this amended complaint. Is that 11 a fair statement? 12 MR. FLOREY: Yes. 13 THE COURT: And I'm not going on an old one. 14 MS. PARK: That's fine, your Honor. 15 THE COURT: No new briefing needs to be done. 16 MR. MARTIN: Correct. 17 THE COURT: Let's just make that clear 18 procedurally so that we can wrap this up. And then 19 the hearing on Wednesday, I think it's 1:30, shall 20 stand. 21 MR. FLOREY: Thank you, Judge. 22 THE COURT: You're welcome. 23 MR. MARTIN: Thank you. 24 MS. PARK: Thank you, your Honor.</p>	<p>Page 40</p> <p>1 MR. JANURA: Do we have leave to answer or 2 otherwise plead the amended -- 3 MS. PARK: The Village would be prepared to file 4 a response to the pleading before next week's 5 hearing. 6 THE COURT: Is it going to look different? 7 MS. PARK: No. Other than responding to the 8 allegations regarding the new parties, no, it will 9 not be different. 10 THE COURT: Here is what I actually think. Yes, 11 you should do that, but I am concerned that we're 12 kind of putting the cart before the horse and that 13 maybe we allow this to get filed, we get the answer 14 or otherwise plead and I kick next week. I am 15 inclined to do that. This changes the dynamic, it 16 does. And I just don't want to rush into this and 17 have all these procedural inconsistencies. That's 18 not going to do any good. 19 This case is going to live, as you indicated, 20 for years. There's a lot of other potential 21 claimants, there's years to consider, there's 22 possible other taxing districts. The worst thing 23 that we could do is rush into this and people not 24 make heads or tails. I may not be here by the time</p>	<p>Page 41</p> <p>1 that this goes through the full system. The 2 attorneys may change, the judges may change. We all 3 could be on the same page, but there does need to be 4 a coordinated effort so that somebody looking at this 5 court docket could understand it. 6 MR. FLOREY: And I think we can do that among 7 ourselves. Everyone here wants the hearing next -- 8 THE COURT: I'm striking next week. I'm going to 9 look at my book and give you a date after you decide 10 about -- how many days do you need to file this? 11 Probably 24 hours? 12 MR. FLOREY: We'll file it this afternoon. 13 THE COURT: How many days do you need to respond 14 or otherwise plead? Let's look at those motions for 15 summary judgment. If we even just need to change the 16 caption, I want it done, I want a cross motion on the 17 amended complaint. I don't care if you just simply 18 rip off the front page, put a new caption on it. 19 That is how it needs to proceed. Figure out how many 20 days you want to do that and I'll give you a date in 21 my book. 22 MR. MARTIN: Thank you, Judge. 23 MS. PARK: Very good, your Honor. 24 THE COURT: And you're going to want some time to</p>
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<p>Page 42</p> <p>1 respond or otherwise plead?</p> <p>2 MR. GESELBRACHT: Yes.</p> <p>3 THE COURT: You're in it.</p> <p>4 MR. GESELBRACHT: I'm in it now. So if the</p> <p>5 hearing --</p> <p>6 THE COURT: The hearing is getting kicked. Why</p> <p>7 don't I do this. As you can see, I have other cases</p> <p>8 that have been waiting really patiently which, my</p> <p>9 apologies, I appreciate. I'm going to ask you all</p> <p>10 to step outside, coordinate the briefing schedule</p> <p>11 between yourselves and then based on when that last</p> <p>12 brief is due, I will try to give you the soonest date</p> <p>13 in my book, all right?</p> <p>14 MS. PARK: Thank you, your Honor.</p> <p>15 MR. FLOREY: Are we talking about the soonest</p> <p>16 date is two weeks, three weeks? Do you have --</p> <p>17 THE COURT: It depends. Figure out what your</p> <p>18 schedule is.</p> <p>19 MR. GESELBRACHT: Thank you, Judge.</p> <p>20 MS. PARK: Thank you, your Honor.</p> <p>21 (Which were all the proceedings had or</p> <p>22 offered at the hearing of said cause.)</p> <p>23</p> <p>24</p>	
<p>Page 43</p> <p>1 STATE OF ILLINOIS)</p> <p>2) SS.</p> <p>3 COUNTY OF C O O K)</p> <p>4</p> <p>5 I, LYDIA B. PINKAWA, CSR, do hereby certify</p> <p>6 that I reported in shorthand the proceedings had at</p> <p>7 the hearing aforesaid, and that the foregoing is a</p> <p>8 true, complete and accurate transcript of the</p> <p>9 proceedings at said hearing as appears from my</p> <p>10 stenographic notes so taken and transcribed under my</p> <p>11 personal direction this 16th day of August, 2019.</p> <p>12</p> <p>13 </p> <p>14 Certified Shorthand Reporter</p> <p>15</p> <p>16 CSR No. 84-002342</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>	